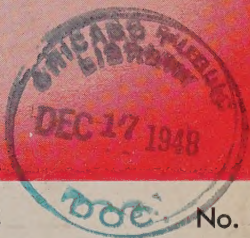


Business Section

FOREIGN TRADE



OTTAWA, DECEMBER 11, 1948

No. 102



NOTICE TO SUBSCRIBERS

Subscribers are requested to renew their subscriptions to *Foreign Trade* on receipt of a notice from the King's Printer, Government Printing Bureau, Ottawa. Renewal notices will be mailed to subscribers four weeks prior to the expiry date of their subscriptions. If no reply has been received by this date, the name of the subscriber will be removed from the mailing list on the assumption that he no longer wishes to receive this publication.

Foreign Trade is published weekly, in English and French. The subscription rate is *One Dollar* per year for delivery in Canada and \$3.50 per year for delivery outside Canada. A limited number of single copies is available for ten cents a copy. All subscriptions and orders should be forwarded to the King's Printer, Government Printing Bureau, Ottawa.

Published by Authority of
Right Hon. C. D. Howe
Minister of Trade and Commerce

M. W. Mackenzie
Deputy Minister

FOREIGN TRADE

OTTAWA, DECEMBER 11, 1948

Published Weekly by
FOREIGN TRADE SERVICE
Department of Trade and Commerce

Regular Features

Canada—Toys Contribute to Joy of Children the Year Round	1178
Eire—Producers Face Problems in Providing Export Surpluses	1183
South Africa—Margarine Sale to Low Income Groups Controlled	1185
India—Agriculture Being Aided to Meet Shortages of Food	1187
Great Britain—Adverse Trade Balance Further Reduced	1189
Canada—Ocean Navigation at Montreal is Closing Today	1190
China—Allocations for Purchase of Woodpulp Abroad Increased	1193
Philippines—Canada is Second as Source of Supply	1196
India—Improved and Expanded Transportation Facilities Urged	1198
Great Britain—Bicycle and Motor Cycle Show Held in London	1200
Eastern Caribbean—Canada Drops to Second Place as Supplier	1202
Chile—Import Control Program Helps Correct Economy	1205
South Africa—More Fabrics, Less Clothing, Bought from Canada	1209
Canada—Bacon and Egg Contracts with Britain Smaller	1211
Canada—Exports, by Commodities (January-October, 1948)	1212
India and Pakistan—New Trade Agreement Concluded	1217
Bizonal Germany—Coal Output is Higher	1218

In This Issue

Foreign Exchange Quotations	1228
Foreign Trade Service Abroad	1225
Trade Commissioners on Tour	1216
Trade and Tariff Regulations	1214
Transportation	1219
Departures from Halifax	1219
Departures from Saint John	1222
Departures from Vancouver-New Westminster	1224

COVER SUBJECT—*S.S. Empress of Canada*, the last passenger liner to sail from Montreal this season, leaves her berth in the upper section of the harbour, bound for Liverpool. With the departure this week-end of the *S.S. Beaverbrae*, the Port of Montreal will close down for another year. Ocean-going arrivals in 1948 totalled 1,015, compared with 898 last year. Cargo handled inwards by all ships was 5,339,000 tons; and cargo handled outwards amounted to 5,582,000 tons, the highest figures since before the war.

National Film Board Photo.

Canadian Toys Contribute Much to Joy of Children the Year Round

Large assortment of playthings available for Christmas season—Substantial progress made by industry in Canada during and since the war—Output of some 350 firms estimated at \$20,000,000 in 1948—Dates of Canadian Toy Fair, in Montreal, advanced to first week in March.

By P. Grant Jones, Export Division, Foreign Trade Service

CANADIAN toys will contribute substantially to the happiness of children in this and other countries during the Christmas season. There is a wide assortment, which meets the heart's desire of boys and girls in all age groups, and supplies in most lines are fully adequate. Prices are competitive, which enables producers in Canada to capture a larger area on the domestic toy counters than their competitors in Great Britain, the United States and other countries. It is estimated that the ratio of Canadian to foreign toys available for sale is eight to one.

The present position of Canada as a producer of toys was achieved by the consolidation of gains made during the last war. The industry struggled hard in prewar years against formidable competition from Germany, Japan and the United States. It fell heir to an exclusive market with the outbreak of hostilities, and became a beneficiary rather than a victim of war conditions. A marriage ceremony of necessity and opportunity was performed.

Small toy factories and other plants, engaged principally in the manufacture of other products, mushroomed almost overnight. Whereas there were approximately fifty firms engaged in this business in 1939, the number is now about 350, though many of these are producing toys as a side-line. The industry had an output in 1936 valued at around three million dollars, which increased six-fold during the following ten years, and is expected to reach \$20,000,000 in 1948. This ratio closely parallels the increase in numerical strength of manufacturers in the corresponding periods.

Wide Range of Toys Being Produced

A wide range of items is being produced, including dolls, dolls' clothing, dolls' carriages, tricycles, scooters, sleds, coaster wagons, steel fire-engines, metal trucks, all-metal die-cast toys, model aircraft, model boats, juvenile furniture, toy musical instruments, wooden action toys, Christmas tree decorations, playground equipment, pool tables, children's bicycles, electric trains, transformers, fractional horsepower motors, miniature plastic toys, balloons, masks, games of many kinds and other articles suitable for people of all ages. Materials used in their manufacture include wood, metal, rubber, plastics, textiles and paper.

Many factors, other than the impetus provided by wartime conditions, are responsible for the expansion of Canada's toy industry. These include:

(a) Incomes are higher, enabling Canadians to purchase more than the bare necessities of life.

(b) Relatively small amounts of capital and equipment are required to establish plants for the manufacture of toys and games.

(c) Many veterans, both men and women, were anxious to invest their savings and gratuities in some form of self-employment, and so found their way into the toy industry. Skills learned in service trade schools, and



Canada—Scooters, swings, tricycles, coasters and other playground equipment have a ready market in Canada during the late spring and summer, but can be exported throughout the year to countries in both the Northern and Southern Hemispheres.

perfected in the field, have been turned to more peaceful purposes, especially in the production of plastic toys. Hundreds of machines that were used in the manufacture of munitions and war equipment, such as drills, presses, punches, reamers and even sewing machines, are now being operated by skilled personnel in the output of playthings.

(d) Raw materials, required for the fabrication of toys, are readily available in this country.

(e) Reductions in the working hours in some industries have provided more leisure and opportunities for recreation. Incomes are being supplemented by the manufacture of toys in leisure hours.

(f) Demands from other countries for Canadian-made toys and games have furnished further stimulus to the industry, which is taking advantage of the opportunity to meet export requirements. This will be continued as world trading restrictions are lightened.

Playthings Association Assists Industry

The Canadian Playthings Manufacturers Inc. (CPMI) has provided much assistance in the development of Canada's toy industry. As its name implies, this association includes among its members only those firms engaged in the manufacture of playthings, wholesalers and retailers being excluded from membership. It is believed that few other trading associations are as completely representative of their respective industries, since membership is a prerequisite to participation at the annual toy fair. This is the most important merchandising event of the industry's year.

The association, whose object is "to promote and advance the interests and welfare of all branches of the playthings industry", is successor to

the Canadian Playthings Manufacturers' Association, formed fifteen years ago and comprised of twelve manufacturers during the first two years of its existence. The present organization has a membership of 111. It is interesting to note that, in the last two or three years, there has been an increase of 65 per cent in the number of firms turning out more than \$100,000 worth of goods annually. The Canadian Playthings Manufacturers' Inc. is responsible to its members for:

(a) Promotion and supervision of the annual Canadian Toy Fair.

(b) Promotion each year of "Children's Day".

(c) Presenting the government with an outline of problems confronting the industry. For example, the association provided the International Committee on Trade and Tariffs with a brief in the early part of 1947, a feature of which was the statistical information that revealed the importance of this industry in the national economy.

Canadian Toy Fair Inaugurated in 1941

Although the inauguration of an annual toy fair was discussed for some ten years before the war, it was not until 1941 that the "Canadian Toy Fair" was launched. It attracted to Toronto hundreds of Canadian buyers, and visitors from the British West Indies, Great Britain, Latin America, Newfoundland, South Africa and Sweden. Twenty-seven manufacturers displayed their wares on this occasion. The toy fair has been held in successive years, either in Toronto or Montreal.

Arrangements have been made for the "Canadian Toy Fair" to take place in Montreal next year, from February 28 to March 3. These dates are earlier than usual, but should enable buyers to visit the Canadian show before proceeding to the "American Toy Fair" in New York. It was found, in the past, that buyers would make fairly extensive purchases in New York and, on returning to visit the Canadian trade show, discover that they could obtain essentially the same products at comparative or sometimes better prices.

Under present conditions, involving import quota restrictions on United States toys, the Canadian buyer is even more anxious to use his quota sparingly. Consequently, he will not infrequently confine purchases in the United States to those toy items that cannot be procured in Canada. Although it is difficult to estimate the attendance at the forthcoming Canadian fair, it is expected there will be at least one hundred exhibitors. In addition to a host of domestic buyers, it is probable there will be a number of visitors from other countries.

Toy Merchandising Conducted the Year Round

Toy merchandising at the consumer level was formerly confined to the six weeks preceding Christmas. Between the wars, purchases on a relatively large scale were extended to all months of the year, a trend that is gaining momentum through efforts of the industry to create seasonal occasions, such as Easter, Children's Day (in June), the summer vacation period, Back-to-School Day (in September), and Halloween. The trade also underscores the fact that every day is some child's birthday. As a result, sales have materially increased, and distribution has been more evenly spaced throughout the world year.

Special training in toy salesmanship is being provided by some retailers, this being a noticeable development of recent years. One of the larger dealers bases his course of instruction on the fact that "every plaything that passes over the counter is designed to bring joy to children". The



Canada—Toys and other playthings are manufactured by 350 firms, with an estimated output for 1948 of \$20,000,000. Production increased six-fold over period of ten years.

merchandising principles he expounds, particularly to newcomers on his staff, may be condensed in the following terms:

(a) Yours is a glorious opportunity to help young Canada be happy, and to make profitable use of playtime.

(b) To use such opportunity effectively, you must be conversant with children's play needs at different ages, how children place in use every toy you sell, what other related playthings will contribute pleasure and profit to the particular children for whom your customers are purchasing.

(c) By making yourself an efficient adviser on the balanced variety of toys needed at different age levels, you will increase substantially the size of your sales checks, and your service will also yield long-term dividends of goodwill to your store.

Attention Directed to Foreign Markets

With the output of toy factories soaring, there is little wonder that a number of manufacturers that have not previously sought foreign markets for their products are now directing their attention to export possibilities. The following broad suggestions are set forth as a guide to newcomers in the export trade:

(a) Set your export prices on the best basis possible, preferably c.i.f. port of entry, and then ascertain if they are competitive.

(b) Ascertain from what countries supplies for a given market are obtained.

(c) Compare the quality of your products with those of competitors, together with the terms they are quoting.

(d) Investigate the availability of foreign exchange in a prospective market, and inquire whether import permits have to be obtained by prospective customers.

(e) Ascertain whether similar playthings are being manufactured in the country to which you propose selling your product.

(f) Consider the appointment of an agent in markets that seem to offer opportunities.

(g) Ascertain what currency will be offered in payment for your goods.

Copies of a leaflet, entitled "Assistance Supplied to Traders by Canadian Trade Commissioners", are available on application to the Department of Trade and Commerce, and indicate the various services rendered by Canada's official representatives in foreign lands. The Foreign Exchange Control Board also issues from time to time a "Notice to Exporters", in which are summarized exchange regulations affecting exporting firms.

Shortage of Dollars Curtails Foreign Sales

Markets currently offering limited opportunities to Canadian exporters of toys, dolls and children's vehicles are: Argentina, Cuba, Colombia, Eire, Great Britain, Newfoundland, Panama, South Africa, Switzerland and Venezuela. Canadian exports of toys and dolls, including children's vehicles and parts, were valued at \$1,186,000 in the first nine months of the current year, compared with \$1,098,000 and \$1,395,000 in the corresponding periods in 1946 and 1947. But for the acute dollar shortage in many countries, the shipments this year would be much larger. Commonwealth markets, which would provide a satisfactory outlet for Canadian toys under conditions that might be considered normal, are now virtually closed, due to import and exchange restrictions. This condition is due to the inability of countries in the sterling area to obtain sufficient Canadian or United States funds with which to purchase goods in Canada.

Great Britain undertook, early in 1946, to permit the entry of "token" shipments of toys, imports being confined to 20 per cent of the average exports to the United Kingdom by Canadian firms engaged in this trade during the base years 1936, 1937 and 1938. While this plan keeps the "door open" to the British market for those exporters with a traditional trading history, only a limited number of Canadian toy manufacturers can derive any advantage from the concession. The recent imposition of exchange controls by South Africa will likely result in a reduction of Canadian toy shipments to that market.

Items Under Export Control Limited

Canadian export permits are no longer required for many playthings, exceptions being those items made of steel, such as dolls' carriages, dump trucks and other toys with a substantial steel or iron content. However, permits are required for the exportation of any goods to certain defined areas in Europe and the Mediterranean. Arrangements are being made to remove skates of all kinds, bicycles and tricycles from export control, while restrictions will be lifted on other items when practicable.

While export sales are important, and are encouraged, the domestic market forms the basic outlet for the Canadian toy industry. The responsibility for providing children with the proper kind of playthings is three-fold; the manufacturers being required to furnish the toys, the retailers to make them available, and the parents to buy them. Canadian producers maintain they are playing their part in providing toys that meet high standards of safety and durability, and in providing for their manufacture in hygienic plants.

Toy Shipments Made by Air

Advantage is being taken of air transportation facilities to ship toys to foreign markets, thereby reducing the time of transit and the possibilities of breakage. Trans-Canada Air Lines reported, for example, that 650 pounds of toys were shipped to Havana, Cuba, during the week ending December 4, in order to ensure their arriving in time for the Christmas trade. In addition, toys from Great Britain and France, amounting to 2,357 pounds, were brought to Canada by air during September, October and November.

Irish Producers Face Problems In Providing Export Surplus

Progress hampered by shortages of equipment, machinery and raw materials—Anglo-Irish Trade Agreement opens wider market in United Kingdom—Record number of new companies registered last year—Labour strife acts as brake to industrial expansion.

By H. L. E. Priestman, Commercial Secretary for Canada

(Editor's Note—This is the third in a series of articles on economic and commercial conditions in Eire, prepared for *Foreign Trade*. The others appeared in the November 27th and December 4th issues.)

DUBLIN, September 2, 1948.—Irish manufacturers, in their efforts to increase production and provide a greater surplus for export, complain that their progress is hampered in many directions. The principal obstacles are shortages of equipment, machinery and raw materials. The government insists, also, that if goods are available in the sterling area, they may not be purchased in the dollar area even at a lower price. Many British factories, however, which list goods as "available" cannot give a delivery date within eighteen months or two years.

The demand for replacements in existing factories and equipment for those which have been newly built or are in process of construction is very high. Business firms and industrialists complain that the higher cost of material and replacements and the general pressure of inflation on liquid resources renders their present capital inadequate. Constantly increasing wages have also added greatly to costs. Price control proved inadequate in keeping down the cost of living, and wage and salary earning classes are increasing demands for higher incomes.

The clothing industry seems to have made a good recovery. Clothes rationing was abandoned at the beginning of this year, and shops are well stocked with goods, though prices are high. Import duties on ready-made clothing have been restored, since the market was becoming saturated with goods from Britain to the prejudice of Irish manufacturers. Exports of clothing from Eire during the first six months of this year amounted to £70,233, a definite advance on the corresponding figure for 1947 of £49,938. The newly established toy industry succeeded in raising the value of its exports from £21,356 for the period January-June, 1947, to £26,036 for the same period of 1948.

Exports of Books and Printed Matter Decline

The export value of books and other printed matter fell from £202,376 to £132,451, largely because Irish publications were barred from the United Kingdom under the non-discrimination policy demanded by the Anglo-

American Loan Agreement of 1945. The British market was of great importance to the Irish publisher. Many school books were exported to Britain and Northern Ireland, and a number of Irish weekly and monthly magazines depended largely on the British market.

The footwear industry succeeded in obtaining reductions in import quotas to 625,000 pairs for the period January-June, and 150,000 pairs for July-December, 1948. In the meantime, however, production had increased to such an extent, and stocks had become so heavy, that a number of factories were forced to lay off workers. Leather bags and gloves, which were displayed at the Canadian International Trade Fair, have found a market in South Africa.

A new factory in the neighbourhood of Dublin, which will manufacture pre-fabricated parts for houses and shops, is expected to be in production within a few months. A factory in Waterford for the manufacture of optical instruments, glasses, frames and shades, is planned, which, it is hoped, will produce an export surplus when fully functioning. Other establishments for the manufacture of gowns, plastics, dried grass and grass meal, and dog food, are due to commence operations shortly.

Two factories equipped to produce industrial alcohol from potatoes, which had been closed because of lack of raw material, have reopened, and are now producing 2,000 gallons of alcohol daily from molasses. A new light leather tannery and dressing factory in Carlow was scheduled to open in September after delay caused by difficulty in obtaining machinery. This plant will employ about 300 men.

Record Number of New Companies Incorporated

During the last year, 486 new companies, the largest number recorded for any one year, were incorporated in Eire. The total number of companies on the register at the end of 1947 was 4,709. Of these, 4,224 are private companies with a nominal share capital of £66,885,910, and 345 are public, with a nominal share capital of £52,150,413. During the year, 806 outside companies, which have set up places of business in Eire, applied for registration.

The principal event affecting Irish manufacturers during recent months was the revision of the Anglo-Irish Trade Agreement. As a result of this agreement, manufacturers expect a wider market to be available in the United Kingdom for their produce, and hope for a resultant increase in employment and output. The target for industrial exports to Britain in the current year has been set at £750,000.

Articles to which the British market is now open include Irish home-spun tweeds, production of which is capable of considerable expansion. This industry provides employment in the Gaeltacht, an Irish-speaking community of the west coast. High-grade footwear, brushes, glasses, gin made from potatoes, and sea-weed meal may also find a market in Britain.

Constant Strikes Are Brake to Industrial Expansion

Constant strikes are the chief brake on Irish industrial expansion. Wages and salaries are low when compared with the cost of living, which shows no tendency to fall, but employers protest that costs of production are already uneconomic. Many newly established industries have purchased equipment at high prices and are still endeavouring to extend premises and obtain further supplies. The high cost of replacements makes it necessary to lay aside large sums for depreciation, so that many firms now find their operating capital inadequate. A shortage of skilled labour also exists, since a comparatively small proportion of the population has any industrial training, and of these a great number emigrate to the United Kingdom.

In spite of the difficulties, some industries have made marked progress. The export of leather and manufactured leather goods, hosiery, linen handkerchiefs, paper and cardboard, apparel, ground barytes, and rubber manufactures increased in the first six months of 1948. Confectionery exports increased from £70,592 in the first half of 1947 to £411,438 in the first half of this year. It is believed that the increase is covered mainly by exports of "chocolate crumb", a combination of milk and chocolate produced in a factory at Kerry from local milk supplies and imported chocolate. The product is exported to the United Kingdom, where it is used in the manufacture of milk chocolate.

Irish industrialists are aware of the opportunities now available in the sheltered home market, in the British market, where the new Anglo-Irish Trade Agreement provides fresh possibilities, and in several European countries with which trade pacts have recently been negotiated. Gradual progress may be expected, therefore, as Irish industries improve their technique and market coverage.

South Africa Controls Margarine Sale to Lower Income Groups

Distribution made through government-operated mobile markets and depots—Approximately three million consumers in European and native population of eleven million—Dairy Industry Control Board responsible for supplies.

By F. T. Cook, Assistant Commercial Secretary for Canada (Agriculture)

JOHANNESBURG, November 18, 1948.—The South African Government has permitted the manufacture of margarine since 1945. However, because of the shortage of raw materials and the lack of machinery, actual production did not commence until 1947. The sale of margarine has been confined to lower income groups at a fixed price, and distribution is controlled through government-owned mobile markets and depots. Production quotas have been set up for the four registered manufacturers.

After many years of agitation in all sections of the community, including the higher income groups, during the war years, and in the face of opposition from dairy interests, the government authorized production of margarine under the War Measure Act of 1945. The government's concession was only partial, in that important restrictions were imposed, including:

- (a) Control was vested in the Dairy Industry Control Board.
- (b) Sales were intended to be limited to lower income groups in nine controlled urban areas.
- (c) Special provision was made for beneficiaries registered with the Social Welfare Department under the state-aided milk and butter scheme.
- (d) Manufacture was restricted under licence to four firms.
- (e) Production was limited to 7,000,000 pounds, to be increased later to 12,000,000 pounds per year when considered justified by the Minister of Agriculture.

Margarine Supplements Butter Supplies

The Dairy Industry Control Board, which administers the margarine regulations, claims that, of a total population of 11,000,000 (European and native), there are only approximately 3,000,000 consumers, as the

8,000,000 natives in reserves do not use butter. Their diet is made up principally of mealie meal (corn meal), meat, milk and wild fruits.

The Control Board computes consumption and requirements by taking the weekly consumption figures of butter when it is in free supply. This amount is calculated at 1,125,000 pounds per week or 65,000,000 pounds per annum. During the fiscal butter year, ended on September 30, production reached around 48,000,000 pounds, which is an all-time record. To this can be added imports from Southwest Africa of 7,000,000 pounds, giving a total supply of 55,000,000 pounds.

On the above basis, there is a computed deficit of 10,000,000 pounds, 7,000,000 pounds of which can be made up at present in the form of margarine, leaving an overall deficit of 3,000,000 pounds.

The Dairy Industry Control Board contends that butter has been established as a staple in the diet of the consumer, regardless of price, providing it is available. It also maintains that margarine will be a long time in replacing butter for lower income groups. It is hoped, however, to increase production to the permitted maximum of 12,000,000 pounds of margarine during the current fiscal year. The margarine interests are of the opinion, however, that if unrestricted distribution and unlimited manufacture were allowed, consumption would soar.

Margarine Distribution Channels Restricted

Under existing arrangements, margarine distribution is confined to nine urban areas throughout the Union through the medium of mobile markets. This system has proved unsatisfactory, in that it has not made margarine freely and easily available to everyone entitled to it under the scheme. The sale of margarine through government-owned and operated markets attaches a social stigma to its purchase at points of distribution. The mobile markets are not refrigerated, and in summer months the handling of margarine is unattractive. Because of the restriction on areas, every district is not reached by the vans.

The production of margarine is not only regulated from the standpoint of quotas, set for registered manufacturers, but is governed by legislation that lays down quality and packaging standards. All margarine for sale in the Union shall not contain milk products in excess of 10 per cent by weight, with 22 international units of vitamin A and one international unit of vitamin D, and not less than two per cent sesame oil per pound. The packaging of margarine is in half pounds, with the word "margarine" printed on three sides not less than a half-inch in height. The name and address of the manufacturer and net weight of the contents must be marked visibly in letters not more than one-quarter inch in height. In addition, trade marks can be used providing they are not superimposed upon the word "margarine".

The regulations do not prohibit the addition of colouring.

At present, manufacturers sell the margarine to the government at 1s. 6d. per pound f.o.r. factory. The government bears the cost of transportation to, and cold storage at, distributing centres.

The margarine is sold to the public at 1s. 4d. per pound. Other charges bring the total subsidy per pound to the government to about 3d.

First-grade creamery butter is now being sold at prices varying between 2s. 4d. to 2s. 8d. per pound. The seasonal price of creamery butter to the manufacturer and consumer is fixed basically during October, effective on November 1, and may be changed thereafter, depending on the need. Subsidies, calculated at the same time, at present amount to 5d. per pound paid to the manufacturer. Farm butter is available in some areas at somewhat lower prices.

India Aiding Agriculture to Meet Continuing Shortages of Food

Direct grants and loans from central government amount to Rs. 33,600,000—Food grain imports higher despite dollar shortage—Partition presented problems to farming, jute and cotton industries—World demand for black tea exceeds supply

By Richard Grew, Commercial Secretary for Canada

(One rupee equals 30 cents Canadian)

(Editor's Note—This is the second in a series of four reports on the economic situation in India, prepared for *Foreign Trade*.)

NEW DELHI, September 18, 1948.—Continuing food shortages in India necessitate unceasing efforts on the part of the authorities to develop agriculture. It was revealed at a recent conference here that the central government had authorized direct grants of Rs. 20,000,000 and loans amounting to Rs. 13,600,000 to increase the production of foodstuffs. It was maintained that similar sums had been provided by provincial governments. Only fifty per cent of the target totals have been achieved, however, difficulties having been experienced in obtaining coal, cement, fertilizers, machinery and in eliminating transportation bottlenecks.

India, it was explained at the conference, had only six agricultural officers for every 10,000,000 of its population, as compared with 120 in Great Britain and 408 in the United States. Problems involving increased agricultural production were further aggravated by partition of British India, as a result of which the Dominion of India has 77.7 per cent of the population, but only 73.1 per cent of the area, 72.5 per cent of the rice acreage, 70 per cent of the wheat acreage and 70 per cent of the irrigated area.

Government expenditures on agriculture in this country are less than one anna (two cents) per head, which compares with Rs.77 in the United States for 1943-44, and with Rs.21 for Canada. As agriculture is a provincial responsibility, it might be assumed that this condition would be improved through the provision of funds in the provincial budgets. The following table discounts any such assumption:

Provincial Expenditure on Agriculture

	Cultivated area (acres)	Total Expenditure (Million Rupees)	Agricultural Expenditure
Madras	30,525	55.94	1.69
Bombay	27,557	44.02	2.49
West Bengal	9,242	31.96	2.31
C.P. Berar	24,302	15.74	.57
East Punjab	11,617	17.82	.58

Considerable encouragement has been given to the development of agricultural co-operative societies, which have an estimated working capital of Rs.300,000,000. These co-operatives are established in the villages, and it is felt that they should be developed to an even greater extent, with provincial authorities providing continual assistance in overcoming the various problems that arise.

Increased Production of Seed Proposed

It was also recommended that the number of seed farms or agencies for seed production in each province or state should be increased, so as to supply the entire cropped area with improved seed as early as possible, and that special efforts should be made for compost making and distribution.

It is noteworthy that, despite dollar shortages, these last few months have seen a considerable improvement in the importation of food grains. Pacts have been signed with Argentina, Australia, Russia and Pakistan, and negotiations are going on with other countries. One disappointment has been that India was deprived of an assured quantity of wheat, owing to the non-ratification of the International Wheat Agreement by the United States. However, India has been promised an additional quantity of 100,000 tons from Australia, which had agreed to supply 680,000 tons. The quantity of grain received in India from overseas between January and July 8 was 1,700,000 tons, as compared with 1,100,000 tons and 700,000 tons in the corresponding periods of 1947 and 1946 respectively.

However, it cannot be said that India's food problem is anywhere near solution. No imports are expected from Burma, due to that country's unsettled condition, and heavy rains followed by floods have spoiled the crops of some rich producing areas, such as the United Provinces and East Punjab.

Uneasiness Noted in Jute Industry

There are three major factors causing uneasiness in the jute industry. The first is the rising cost of production, especially the cost of raw material. The price of raw jute in August, 1947, was Rs.26 per maund (80 lb.); in May, 1948, it was Rs.35 per maund, and in August, 1948, it was Rs.42 per maund. Due to buyer resistance abroad, the price of the manufactured goods has decreased, and some hessian mills have recently been running at a loss.

The second factor is the inability of the industry to plan ahead because of the uncertainty of obtaining steady supplies of raw jute from Pakistan. This led to a decision of the government in July that, in order to safeguard the supply position of raw jute for consumption by the mills, no export should be allowed until September 30, 1948, against the quota for the half-year ending December, 1948. The government also decided that quotas for January-June, 1948, would not be extended beyond July 31, 1948. It was further decided to allot a quota of 250,000 bales of raw jute for the current half-year to be exported during October-December, 1948.

With regard to the third factor, that of consumer resistance, there is little doubt that the Indian jute industry has lost ground in the United States and Canadian markets recently. From July to March, 1946-47, the United States took 700,000,000 yards of hessian cloth, while in the corresponding period of 1947-48 purchases amounted to only 627,000,000 yards. This is a serious decline, in view of the fact that the United States takes over 80 per cent of India's hessian production. It has been estimated that 20 per cent of the North American market has been irretrievably lost to cotton and paper substitutes. The industry has had a slight lift by a recent order for 50,000 tons of jute manufactures by Argentina, to be supplied between September, 1948, and February, 1949.

Partition Produced Profound Effect on Cotton

Partition has had a profound effect on the position of cotton in India, which has lost to Pakistan one of the most valuable means of earning foreign exchange. Furthermore, the Indian textile industry has been deprived of a well-established source of supply. The cotton grower, on

the other hand, is now receiving consideration from the government, and being encouraged to produce more and better varieties of cotton. Steps are being taken to increase the acreage under cotton, and to regulate exports, in view of the fact that supplies from other sources may be difficult to obtain. Production at the present, however, is still on the decline, owing to upheavals in this country during the past year.

Demand for Black Tea Exceeds Supply

The world demand for black tea amounts to 848 million pounds, according to a report of the Indian Tea Industry for 1947-48, issued in August. Of this total, Great Britain is seeking 495 million—300 million from India, 25 million from Pakistan, 150 million from Ceylon and 20 million from Africa—and other countries 353 million pounds. It is estimated that no more than 815 million pounds will be available from all sources for export in 1948, and that the production in India during 1948 will total 540 million pounds.

The report indicated that the production of large crops, in order to meet the world demand, had lowered the standard of tea produced. This condition can also be attributed to difficulties experienced by the factories, which were unable to obtain additional machinery and sufficient tea chests, resulting in the manufactured tea being left unpacked in the factories.

Great Britain's Adverse Trade Balance Further Reduced During October

Exports were valued at £140,000,000, an increase of £9,100,000 over those for September, while imports were valued at £174,500,000, an increase of £5,200,000 over the September figure—Adverse trade balance on merchandise account reduced £4,000,000.

By A. E. Bryan, Commercial Counsellor for Canada

LONDON, November 25, 1948.—Great Britain's trade gap is shrinking, the adverse balance on merchandise account in October amounting to £29,000,000, which is a reduction of £4,000,000 from the figure for September, and the smallest since January, 1947. Exports in October were valued at £140,000,000, which represents an advance of £9,100,000 over September, and is the highest figure after that of July, amounting to £145,600,000. Imports were valued at £174,500,000, which is £5,200,000 more than in September.

Exports of food, drink and tobacco went up by £1 million to £8·2 million; raw materials (£6·6 million) were £500,000 greater than in September. More than half of this increase was attributable to coal (£4,400,000).

Manufactured goods (£121·9 million) increased by £6·9 million. Nearly 20 per cent of this expansion was due to iron and steel goods, exports of which exceeded £10 million for the first time in any month since 1921.

In terms of volume, exports were estimated at 142 per cent of 1938, against 132 per cent in September, 138 per cent in the third quarter of this year and 149 per cent in July.

As regards imports, deliveries of food, drink and tobacco (£77·3 million) increased by £8·6 million as compared with September. The chief expansion took place in grain and flour, which went up by £6·2 million in the month. Otherwise there was little change.

Ocean Navigation at Montreal Is Scheduled to Close Today

Ocean-going arrivals during season totalled 1,015, compared with 898 in 1947, the largest number since before the war—Cargo handled inwards from all ships amounted to 5,339,000 tons, and outwards to 5,582,000 tons — Passenger traffic through port also greater.

NAVIGATION on the St. Lawrence is drawing rapidly to a close, the last ocean-going ship to load in Montreal this season being scheduled to leave port today. Although the summer buoys have been removed from the ship channel, the range lights are still in operation, enabling any lightly-laden vessel to pass down the river with safety even during the hours of darkness.

The Port of Montreal has been host to ocean tonnage for 237 days, the S.S. *Manchester Shipper* having arrived on April 19 from Manchester to inaugurate the season of navigation. Although December 11 is not the latest date on which the harbour has been officially closed, a record having been established in 1941, when the last ship sailed on December 17, it is later than usual, as indicated by the table on the opposite page. Navigation was closed on November 21, in 1891, which is the earliest date on record.

Many port staffs have already been transferred to Halifax and Saint John, from which shipments will be made to many corners of the world during the next four months. These ports do not confine their activities to the winter, when navigation on the St. Lawrence is closed, but they handle a greatly increased flow of merchandise. Some of this originates in the Maritimes or is consigned to destinations in the Eastern Provinces, but the bulk is moved by rail to and from Montreal and points west.

Montreal—Ocean ships loading grain and other cargo opposite No. 3 Elevator, which has a storage capacity of 5,000,000 bushels. Total grain shipments from this port in 1948 are approximately 66,875,000 bushels.

Photo by Spartan Air Services.



Opening and Closing of Navigation

Year	First arrival	Last departure
1887	May 3	November 28
1888	May 4	November 22
1889	April 27	November 23
1890	April 30	November 24
1891	April 27	November 21
1892	April 23	November 27
1893	May 3	November 23
1894	April 27	November 24
1895	April 27	November 25
1896	April 28	November 23
1897	April 30	November 24
1898	April 26	November 28
1899	April 27	November 29
1900	April 26	December 3
1901	April 25	November 25
1902	April 17	December 4
1903	April 26	November 28
1904	May 4	November 27
1905	May 2	November 30
1906	April 28	December 2
1907	May 2	November 29
1908	April 30	November 26
1909	April 23	November 28
1910	April 11	December 1
1911	April 26	December 3
1912	April 30	December 3
1913	April 19	November 29
1914	April 29	December 4
1915	April 30	December 11
1916	May 1	December 3
1917	May 1	December 7
1918	May 7	December 14
1919	April 22	December 10
1920	April 25	December 11
1921	April 21	December 8
1922	April 24	December 2
1923	May 3	December 2
1924	April 24	December 3
1925	April 22	December 9
1926	May 3	December 6
1927	April 12	December 6
1928	April 26	December 9
1929	April 20	December 7
1930	April 21	December 12
1931	April 15	December 11
1932	April 14	December 8
1933	April 14	December 6
1934	April 26	December 8
1935	April 15	December 9
1936	April 13	December 11
1937	April 19	December 8
1938	April 18	December 4
1939	April 29	December 12
1940	April 24	December 5
1941	April 19	December 17
1942	May 2	December 16
1943	May 24	December 13
1944	April 21	December 6
1945	April 9	December 3
1946	April 12	December 4
1947	April 21	December 4
1948	April 19	December 11

Harbour Activity Increased During Season

Although no records were established during the season brought to a close this week-end, with the departure of the *S.S. Beaverbrae*, preliminary figures obtained from the National Harbours Board indicate that the Port of Montreal was more active than in any year since before the war.

Ocean-going arrivals totalled 1,015, compared with 898 last year and with 811 in 1946. In addition, there were 916 arrivals by coasting craft and 2,118 by inland vessels. The aggregate net tonnage during the past

season of all ships entering the port was 6,638,000, which compares with 5,949,000 net registered tons last year and with 5,239,000 tons in 1946.

Cargo handled inwards totalled 5,339,000 tons, which includes products of all kinds brought in by ocean-going, coasting and inland vessels, comparing with 3,682,000 tons last year and 2,552,000 tons in 1946. Cargo handled outwards amounted to 5,582,000 tons, which compares with 4,661,000 tons last year and with 4,392,000 tons in 1946. Grain shipments were approximately 66,875,000 bushels during the season just ended, which figure is almost the same as that recorded in 1947, when total shipments were 66,880,000 bushels.

Passenger traffic through the port was also higher than at any time since before the war, arrivals numbering 95,414 and departures 91,844, which include carryings by both ocean-going ships and coasting craft.

Oil Production of Trinidad Increasing

Port of Spain, November 15, 1948.—(FTS)—Trinidad's oil production in 1947 amounted to over 20,500,000 barrels, a figure which is expected to be exceeded this year. Large-scale drilling operations now under way are proving successful. One company has under consideration plans for increasing its storage capacity and tanker-handling facilities, in order to facilitate the importation of foreign crude for refining and re-export. These amounted to 5,896,000 barrels last year, or more than double the 1946 figure. Imports of crude are expected to increase during the next few years to an annual total of about 12,000,000 barrels.

Rationalization of Britain's Engineering Standards Proposed

London, November 25, 1948.—(FTS)—The possibility of reducing the variety of engineering products and components is being investigated by a committee appointed by the United Kingdom Government, in consultation with the British Standards Institution. This action is being taken in order to bring about increases in productivity and effect a saving in spares and stocks.

Great Britain to Remove Control on Furniture

London, November 25, 1948.—(FTS)—The present statutory control over the manufacture and supply of furniture is to be revoked, the Board of Trade has announced. At the same time, the utility furniture scheme is to be modified. The changes will give manufacturers freedom to make furniture to their own design and by the methods they can most efficiently employ.

Data for Exporters Compiled

Information, of particular interest to Canadian exporters, concerning shipping documents and customs regulations of foreign countries, is being compiled by the Commercial Relations and Foreign Tariffs Division, Foreign Trade Service. Countries concerning which such information is now available in a revised form are: Denmark, Guatemala, Italy, Mexico, Norway, Sweden and Switzerland. Data on other countries will be made available from time to time.

China Increases Allocations for Purchase of Woodpulp Abroad

More paper to be manufactured locally—Imports of finished papers to be reduced—Lack of cheap transportation and adequate basic chemicals hinders full development of pulp industry.

By R. I. Rankin, Assistant Commercial Secretary for Canada

SHANGHAI, August 26, 1948.—Allocations for the purchase of woodpulp have been increased, in accordance with the expressed intention of the Chinese Government to manufacture more paper in this country and to reduce its imports of the finished product. Allocations for the importation of fine paper have been reduced proportionately. Approximately 8,500 metric tons of woodpulp were imported last year, and it is expected that purchases for 1948 will be higher.

Imports for 1935-37 averaged approximately U.S.\$600,000 a year, or about 14,000 metric tons, of which 90 per cent consisted of chemical pulp and 10 per cent mechanical pulp. The United States was the principal source of supply, averaging slightly less than 40 per cent of the total, while purchases from Scandinavian countries represented 30 per cent. During 1937, the peak year, imports reached 16,000 metric tons, but dropped to only 1,900 metric tons the following year, due to the outbreak of hostilities and the disruption of paper production along the coastal area. Thereafter, the demand for pulp gradually increased again, and imports rose to about 2,800 metric tons in 1939 and to 7,300 metric tons in 1940.

Due to the fact that most of the prewar paper mills in China were not destroyed during the war, except for a large newsprint mill in Canton province, as well as the addition of a number of small paper mills established in the interior during wartime and the acquisition of important paper mills in Formosa, postwar pulp requirements are potentially larger than prewar imports. However, in 1946, due to unrestricted import of paper from abroad, many local mills had to curtail production. In that year, roughly 7,500 metric tons of pulp were imported, of which the Scandinavian countries supplied about 60 per cent. Due to controls in the United States, shipments from America represented only 27 per cent, or about 2,000 tons. During 1947, imports increased to about 8,300 metric tons, of which the Scandinavian countries supplied roughly 46 per cent of the total, or about 3,800 tons, and the United States shipped about 3,200 tons, or almost 38.5 per cent of the total. During the first five months of the year, pulp imports amounted to roughly 7,000 tons, but quite a large percentage of this tonnage must be regarded as orders which were booked against 1947 import quotas.

Import Quotas Issued Direct to Mills

Import licences are issued directly to the paper mills, the individual amount being based on the mill's past production records. Although the Export-Import Board's total 1948 import quota for woodpulp has not yet been decided, it is estimated that the total exchange allocated will amount to roughly U.S.\$1,500,000. The latest quota, i.e., the fifth, was about U.S.\$350,000. Present requirements for imported pulp, based on prewar and present paper production, is very roughly estimated to be about 20,000 tons annually. It is expected that the Board will eventually allow special imports of pulp, to be used by paper mills against export of their paper products. Such a measure would naturally increase the quantity of pulp that may be imported.

Customs duty for woodpulp, either chemical or mechanical, has in the past been levied at five per cent ad valorem. However, the present rate of duty, as per new customs tariff promulgated August 2, 1948, and effective August 7, 1948, has been increased to ten per cent ad valorem. The same duty rate is levied on other types of pulp, such as bamboo, hemp and flax pulp, but imports of these types are negligible. It should be noted, however, that increase of duty will not affect imports, as at present import quantity is determined by import licences rather than by the amount of duty payable. This new tariff, however, is not applicable to countries which have enforced the Protocol of Provisional Application of General Agreement on Tariffs and Trade, of which Canada is one.

Definite statistics are not available of China's production of woodpulp, and the following comments must also include pulp production from bamboo, hemp, reeds, straw, sugar cane bagasse.

Many Problems to be Overcome Before Full Development Possible

There are in various parts of China large tracts of timber suitable for the manufacture of pulp; but the industry is not well developed. Aside from lack of political and economic stability required for the development of any large manufacturing enterprise, one of the most important factors hindering the development of the Chinese pulp industry is the lack of cheap transportation. Most of the larger and more modern paper mills are located in the coastal areas, whereas suitable timber (for which modern logging and conveying equipment is also lacking) for pulp has to be obtained from almost inaccessible areas in the interior. Another important factor is lack of a large basic-chemical industry to supply cheaply and in abundance the large quantities of chemicals required for the manufacture and bleaching of chemical pulp, whether by sulphite, sulphate or soda process. The Yng Li Chemical Works and the former Japanese Alkali Works in Formosa are producing caustic soda, but production is only enough to meet present general industrial requirements.

During the war, a pulp mill was established in Szechuen province at Imping. This mill is at present still in operation but production is limited. Another plant was established in Kweilin, in Kwangsi province, but had to be dismantled during the Japanese advance in that area and has not yet resumed operation. In recent months there have been preliminary negotiations for the establishment of a modern pulp mill in Fukien with the co-operation of the provincial authorities. The plan is to utilize Foochow pine timber from the upper reaches of the Ming River. However, no preparations for actual establishment have been made.

The total forest area of Manchuria is estimated to cover 360,000 square kilometres, or about 36 per cent of the entire area. The volume of standing timber is conservatively estimated to be 90 billion cubic feet. This abundance of available timber, combined with good hydroelectric resources, makes the northeast a very suitable area for large-scale development of the pulp industry. The first important pulp mill was established in 1919, with an initial annual production of 12,000 metric tons. From then on, total Manchurian pulp production was increased continuously and reached a peak output of about 100,000 tons annually. Around 1930, Japanese interests started quantity production of reed and hemp pulp. After V-J Day, due to continuous fighting, production has been almost entirely stopped. However, under National Resources Commission (NRC) control, about 1,200 tons per month of non-wood pulp, consisting of about 85 per cent reed pulp and 15 per cent hemp pulp, is still being produced.

The Taiwan Paper Company, in Formosa, established in 1940, has a pulp mill in Taiwan which is producing pulp from bagasse, a by-product



China—Canadian woodpulp, unloaded at Shanghai, being carried to Godown. Purchases of woodpulp are increasing, while imports of finished papers are being reduced.

of cane sugar manufacture. Present output is about 1,200 tons monthly. According to information available, two new pulp mills are now being established in Taiwan, one of which is expected to start operation early next year with a production capacity of roughly 1,500 tons per month.

Due to present restrictions on imports, production of domestic paper has greatly increased. Prewar annual production of all grades and types of paper amounted to roughly 70,000 metric tons, as compared with production of over 100,000 tons in 1947. Estimated production for 1948 is about 200,000 metric tons. Although much waste paper, cotton waste and rags are being used, pulp requirements will naturally be greater. During the war, the largest newsprint factory in China, which was established and operated in Kwangtung by the provincial government and which had an annual capacity of about 1,800 metric tons, was removed to Japan by the Japanese authorities during the occupation. Efforts are now being made to recover this mill through SCAP. Should this and other projected newsprint mills start actual operations, requirements for mechanical woodpulp will necessarily be greater than hitherto, as newsprint production requires about 85 per cent mechanical and only 15 per cent chemical pulp.

As paper has been made and used in China for over 2,000 years, it is natural that crude pulp manufactured from various kinds of fibres has been used for a long time. Formerly, most hand-made papers were made from bamboo pulp. However, since development of machine-made paper, large quantities of other types of non-wood pulp have also been produced. Among the most important types are those made from native hemp, reed, rice and wheat straw (produced mostly in the Shanghai Hangchow, Nanking, Hsueh area) and sugar-cane bagasse. Naturally such kinds of pulps are used only for very rough grades of paper and board, requiring pulps of low tensile strength and purity qualities. However, in contrast to the production of chemical woodpulp, there are almost no restrictions confronting increased production of this type of pulp in China.

Pending termination of the present civil disorders, improvement of transportation, establishment of large basic-chemical industries and modern logging concessions, leading to the eventual development of domestic pulp production, China's requirements of chemical pulp, and especially bleached chemical pulp, will have to be met by imports.

Canada Second to the United States As Supply Source for Philippines

While shipments from United States totalled 879.9 million pesos in 1947, Canada placed second as source of supply with exports totalling 27.6 million pesos—United States also constitutes main export market—Total trade of Philippines establishes record total of 1,534 million pesos last year.

By K. F. Noble, Canadian Government Trade Commissioner

(Editor's Note—This is the first of two articles on trade of the Philippines during 1947, prepared for *Foreign Trade*. The Philippine peso has full and unlimited exchangeability against the United States dollar at a ratio of P.1.00 equals U.S.\$0.50.)

HONG KONG, July 28, 1948.—Canada, although lying far back of the United States in total value of trade, is second among the countries trading with the Republic of the Philippines. The aggregate value of Philippines trade last year totalled P.1,534 million (U.S.\$767 million), comprising imports totalling P.1,003 million and exports amounting to P.531,097,000. Of this total, trade with the United States accounted for a total of P.1,184,380,000, made up of imports of P.879,900,000 and exports of P.304,400,000.

Total trade of the Philippines, which has been on an abnormal basis during the postwar period, was almost 100 per cent higher in 1947 than the previous all-time high of P.720 million in 1946, and 140 per cent higher than in the peak prewar year 1929.

The dominant position of the United States has not been altered either by the wartime occupation or by the establishment of an independent republic in the Philippines. Over 78 per cent of all Philippine exports during the past twenty years, with an aggregate value of P.4,505,496,000, has gone to the United States, while in the same period 73 per cent of all imports, which have had a value of P.783,646,000, has come from that country.

External Trade of the Philippines in 1947

	Total trade value	Imports (Millions of pesos)	Exports (Millions of pesos)	Balance of trade
United States	1,184.3	879.9	304.4	—575.5
Canada	38.8	27.6	11.1	— 16.4
France	37.0	1.8	35.2	+ 33.4
China	31.3	28.5	2.8	— 25.6
Great Britain	23.2	6.1	17.0	+ 10.8
Denmark	20.5	.4	20.1	+ 19.7
Italy	16.2	.6	15.6	+ 14.9
Belgium	15.8	4.8	10.9	+ 6.1
Dutch East Indies	14.3	4.6	9.7	+ 5.1
Malaya	14.3	.3	14.0	+ 13.6
India	13.0	7.9	5.0	— 2.8
Switzerland	9.1	2.4	6.7	+ 4.3
Norway	9.0	1.3	7.7	+ 6.3
Sweden	8.2	2.7	5.5	+ 2.8

Japan Formerly Second Source of Supply

A breakdown of the aggregate trade for the past twenty years shows that the United States has been party to 76 per cent of the total; Japan five per cent; Great Britain and China each two per cent; and Canada, France, Germany, the Netherlands East Indies, British India and Spain each one per cent. In the postwar period, Japan, Germany and Italy have

all disappeared from the trade, but in the 1945-47 period the United States percentage of the total trade was 78.3 per cent, comprising 86.4 per cent of the imports and 57 per cent of the exports.

The Republic, though the newest country in the Far East, has a history tracing back over 400 years. The Philippines was a colonial possession of Spain from 1758 to 1898 and a territorial possession of the United States until July 4, 1946, at which date the country became an autonomous self-governing republic.

Though geographically in the Orient, the area has an Occidental outlook generated by its close association with the United States, with which she has enjoyed reciprocal free trade since 1908 and with which she will continue such free trade for a further period of twenty years from July 4, 1946.

Inevitably, the Philippine trade economy based on the export of produce and raw materials and the importation of consumers' goods, machinery and capital equipment for industry has had a strong bias towards United States destination and similar source of supply. The domestic exports of the Philippines, including sugar, copra, coconut oil, desiccated coconut, abaca, maguey, Philippine hardwoods and tobacco have moved to their logical market in the United States. Equally logical has been the dominance of manufactured products from the United States, due to basic considerations that were equally effective in the prewar territory of the Philippines and in the postwar Republic, notably (a) duty-free admission of products, and (b) trade, shipping and distributive organizations dominated by United States capital and staffed with United States personnel.

Imports Greatly Increased While Output of Export Items Reduced

Traditionally in the prewar period of the 20th century, imports and exports of the Philippines were approximately in balance. But with the liberation in 1945, pent-up consumer demand from the occupation years led to an amazing upturn in the quantity and, even more particularly, in the value of imports. At the same time the deterioration, and even the destruction of the Philippine industrial equipment during the Japanese occupation years had left domestic industry at a low stage of productive ability. Sugar estates had "run out", while the continuing lack of fertilizer had further curtailed the yield per acre. Eighty per cent of the sugar centrals had suffered major damage, while the others were barely operative. The mining industry was without equipment, while the lack of labour force and the years of neglect have left the industry at a standstill. The abaca industry, which had largely been in the hands of Japanese interests in the prewar period, was handicapped by the lack of skilled labour, replanting policy or fertilizer, while the same comments would apply to the tobacco industry, which had neither fertilizer, planting policy, process factories, nor the necessary skilled labour.

On liberation, the Philippine sources of export credits were at a low ebb. Advancing international prices for commodities, notably copra, tended partially to conceal the position, but even with increased prices the much curtailed quantity of exports supplied barely 50 per cent of the overseas credits necessary to finance imports. United States military and naval expenditures in the Philippines in the immediate postwar period and subsequently payments to Philippine irregulars and expenditures on extension of army and navy establishments supplied sufficient dollars to more than finance the inflated quantity and value of imports. More recently, the United States dollar indemnities for damage to Philippine property during the liberation warfare have continued to supply an adequate balancing factor.

Improved and Expanded Transportation Facilities Advocated for India in Plan

Repairs to or replacement of equipment to make up for wastages of war years, improved railway operations, new lines to undeveloped territories among suggestions of five-year plan—Development of maritime trade urged.

By Richard Grew, Commercial Secretary for Canada

(Editor's Note—This is the last in a series of articles on a five-year plan for the development of Indian economy. The previous articles appeared in the November 6th, November 13th, November 20th and December 4th issues. One rupee equals 30 cents Canadian.)

NEW DELHI, September 9, 1948.—As all other plans for industrial development depend ultimately on the prompt and efficient movement of goods, considerable attention has been devoted to the problem of improving and expanding the railway systems in India in the five-year plan. In order that the requirements of the country may be met, the following suggestions are made: (a) repairs to or replacement of coaches, wagons, locomotives, workshop machinery, rails and other equipment required to make up the wastages of the war years; (b) improvements in railway operations, such as duplicating of lines, additions to station yards, expansion of railway shops, electrification of suburban lines; (c) new railway construction to open up undeveloped territories; (d) special amenities for lower-class passengers; (e) measures for improving the efficiency of railway staff, such as improved quarters, schools and medical facilities.

It is considered that a sum of Rs.1,000 million over the next seven years should suffice for putting railway equipment in a proper state of repair.

With regard to new railway construction, it had been suggested that five hundred miles of new railway construction per year should be undertaken. This was by no means too ambitious a program but, in view of the shortage of materials, foreign exchange and other difficulties, it will have to be somewhat modified, aiming at 150 miles in the first year, 250 miles in the second year, and 400 miles in each of the following years. Total new construction in the course of the next seven years, therefore, commencing in 1948, should be 2,400 miles. The question arises as to how far the present scarcity of coal and of building materials, particularly steel and cement, will render it possible to take up a program of 400 miles of new construction per year. It is suggested that the Railway Administration should revise its standard specifications and adopt temporary modifications which would enable it to complete the program quickly. If the lines are built to a low standard of capacity and timber freely used to the exclusion of steel, bricks and cement, the cost may not exceed Rs.250,000 per mile, or about Rs.60 million for the 2,400 miles recommended for the first seven years.

Increased Amenities for Lower-Class Passengers Advocated

Suggestions are also put forward for increasing the amenities for lower-class passengers, for which a sum of Rs.250 million is set aside, and improving the efficiency of the staff by providing training schools, decent quarters, etc., which will take another Rs.250 million. Nowhere is it advocated that raw materials such as bricks, coal, cement, steel, should be used for building, if timber is suitable. The total expenditure to be provided for railway development in seven years will, therefore, be as follows (approximately): Rehabilitation of wasted assets, Rs.1,000 million;

improvements in railway operations, Rs.900 million; new railway construction, Rs.600 million; special amenities for lower-class passengers, Rs.250 million; measures for improving the efficiency of railway staff, Rs.250 million.

Consideration is given to the development of India's maritime trade, which consists of over 20 million tons of cargo and three million passengers annually, most of which traffic is handled by foreign shipping companies. The shipping tonnage on the Indian Register is said to be 130,000 tons, although the correct figure is possibly nearer 200,000 tons. India's problem, therefore, is to acquire sufficient shipping tonnage and to get her due share of the maritime traffic of the country. A previous report recommended that India should endeavour to develop her shipping trade within the next seven years so as ultimately to carry ten million tons of cargo and three million passenger. As India has now only one well-developed shipping yard, situated at Vizagapatam, which can build vessels of the required tonnage, the shipbuilding program will be severely curtailed. The country must make every effort to place orders in foreign shipbuilding yards, and at the same time endeavour to manufacture the required plate necessary for shipbuilding. The figures which have been adopted provisionally for the development of the shipping industry, subject to ratification by the Indian shipping interests, are Rs.350 million capital investment, Rs.200 million of which must be spent abroad, and which are likely to realize an addition to the national wealth of about Rs.100 million.

Improved Provincial, District and Village Roads Urged

With regard to roads, it is felt that the minimum amount of expenditure possible should be devoted to national highways and the balance should be used on provincial, district and village roads. A sum of Rs.750 million, it is estimated, would give the country 20,000 miles of new roads. For maintenance and improvement of district and village roads, the district boards should be enabled to effect an increase in the road toll-tax according to their needs. Estimates are also given for providing telegraph, telephone and wireless equipment to speed up communications; the total capital investment necessary is considered to be Rs.200 million, of which about Rs.120 million will be spent abroad.

Provision of housing, hospitals, schools, etc., while demanding a high priority, is likely to be hampered by the shortage of essential materials. It is estimated that, apart from the houses built for textile workers, for which a provision of Rs.250 million has been made, only Rs.562·5 million can be set aside for new industrial housing, which will provide about 225,000 houses, accommodating two workers each. As the additional industrial employment proposed is about 700,000 in five years, and as 250,000 will be housed in the cotton textile areas, practically all the new industrial workers can thus be provided with some shelter. The total provision for new housing will come to Rs.820 million, and an extra sum of Rs.430 million is provided for educational buildings, hospitals, sanitary improvements, etc.

The plan also considers that tourist traffic should be encouraged and has set aside Rs.50 million for the development of hill stations, seaside resorts, etc.

Rhine River Traffic Maintained

Frankfurt, September 3, 1948.—(FTS)—Barge loadings have been sustained at 100 per-cent of capacity, with high water levels in the Rhine River, and all canals fully operating.

Export Models Featured at British Bicycle and Motor Cycle Show

Multiplicity of types produced to suit individual markets, indicating that manufacturers are aware of export problem—Substantial increases in sales to hard-currency areas recorded as compared with prewar years—Value of exports in 1947 totalled \$80,000,000, about five times the 1938 figure.

By B. M. Fillmore, Office of the Commercial Secretary for Canada

LONDON, November 26, 1948.—The vital issue of British export trade was much in evidence at the Bicycle and Motorcycle Show, held here from November 18-24. Visited by some 177,000 people, and sponsored by the British Cycle and Motorcycle Manufacturers' and Traders' Union, Coventry, it was the biggest ever held. It covered 136,000 square feet, in which 42 exhibitors of bicycles, 24 exhibitors of motorcycles, and 83 exhibitors of components and accessories showed their products. In all, about 1,000 bicycles and 200 motorcycles were shown, representing a total value of \$170,000.

Prior to the war, the world's trade in cycle products was shared between Great Britain, Germany and Japan. With Germany out of the picture and Japan's industries controlled, the British industry is making good use of a field with comparatively few competitors. In 1947, the value of exports of the combined industry totalled \$80,000,000, about five times the 1938 figure.

Value of Exports to Canada Greatly Increased

The value of machines and parts exported to Canada increased by the same proportion, from \$500,000 in 1938 to about \$1,436,000 in 1947. In cycles and motorcycles combined, the increase was from 4,430 units in 1938 to 32,100 in 1947. The value and volume of components exported to Canada since the war does not compare favourably with prewar performance. The importance of trading with hard-currency countries has been heavily stressed, and figures in most instances indicate substantial increases over prewar performance.

Many models on display were featured as export models, each having been designed for a specific market. In the bicycle field, several machines for the Canadian market were shown, ranging from light "sporty" cycles with coaster brakes to heavy frames with balloon tires, following the American preference. Manufacturers are obviously alive to the export problem, as indicated by the multiplicity of types produced to suit individual markets.

Unlike the automobile industry, there has been no sensational "new look" development in bicycles. The angles and stresses of modern frames have been brought more or less to perfection, and the show concentrated on new accessories, such as frictionless hub dynamos, three and four-speed gears, and combined units of hub gears, dynamos and hub brakes. For home models, the hand brake is still standard. New light alloys were widely displayed in the form of tubing, frames, pedals and accessories, but the chain industry confined itself to a "prestige" vein. The saddle industry was well represented. No sections could give any indication of Canadian business booked at the exhibition, the reason being that most business would be normally channelled back through established agents in Canada.

Rider Comfort Featured by Motorcycles

In motorcycles the accent was on "more comfort for the rider". Several displays featured working sectional models to illustrate new techniques in front and rear shock absorption, which was cleverly set off by accompanying displays of 1902 models. Whereas the rider and machine took the punishment in former days, modern design places the onus on the machine.

There was evidence in one or two displays that the shaft drive is still to be reckoned with as a transmission medium. Twin- and multi-cylinder engines were featured prominently, with several horizontal types in cut-away form to illustrate their intricate and neat workmanship. A trend towards streamlining was noticeable, which involved built-in headlamp, dashpanel and fuel tank all in one unit to give smart appearance. A replica of the Vincent H.R.D. "Black Lightning" model, which recently raised the American speed record to 150 m.p.h., attracted considerable interest. Many of the amenities of heavy motorcycles have now been handed down to the 125-150 c.c. types.

Overseas buyers had a wide range of selection. The supply of components seems to be well maintained, allowing the industry to put up a good export performance as well as satisfying home demands. Prices have risen over 100 per cent since before the war, but manufacturers are obviously doing their utmost to fulfil requirements of individual markets by producing to their specifications and preferences. This will be a useful asset in the transitional phase from sellers' to buyers' markets, and the success of the exhibition goes far to show that the cycle industry is well equipped to cope with this eventuality.

Output of British Bicycle and Motorcycle Industry

	1938	1946	1947
Bicycles	No. 576,458	No. 1,075,230	No. 1,449,662
	\$ 6,702,136	\$25,810,984	\$40,161,360
Motorcycles	No. 19,769	No. 53,486	No. 55,367
	\$ 3,244,012	\$13,874,128	\$17,582,168
Bicycle parts	6,306,700	12,464,188	17,202,124
Tires and tubes	1,059,460	1,797,308	2,625,216
Motorcycle parts	1,277,484	1,287,172	2,568,032
Tires and tubes	124,796	269,528	474,968

British Cycles and Motorcycle Exports to Hard-Currency Countries

	Cycles		Motorcycles	
	1938	1947	1938	1947
	No.	No.	No.	No.
United States	3,964	19,336	114	10,232
Chile	637	11,892	6	235
Argentina	94,407	77,165	271	1,956
Uruguay	2,030	4,839	11	285
Sweden	14	1,669	348	2,261
Switzerland	1,502	8,744	99	2,424
Portugal	1,541	9,073	145	729
Mexico	2,439	21,676	20	310
Venezuela	3,256	19,021	9	189
Costa Rica	199	1,459	nil	53
Cuba	96	2,688	8	135
Guatemala	184	1,625	1	69
Panama	482	1,612	nil	1
Brazil	2,254	34,772	30	979
Philippines	123	812	nil	7

Eastern Zone Concludes Trade Agreement With Bulgaria

Frankfurt, August 28, 1948.—(FTS)—A trade agreement between the Soviet zone of Germany and Bulgaria for the period up to the end of 1949 has been signed at Sofia. It provides for an exchange of industrial products, raw materials and agricultural produce valued at \$6 million.

Canada Drops to Second Place as Exporter to Eastern Caribbean

Change in pattern of trade now evident — British West Indies cut imports from Canada by one-third, due to dollar shortage—Great Britain regains position as chief source of supply—Trinidad's trade balance favourable, while adverse balances recorded for British Guiana and Barbados.

By A. W. Evans, Acting Canadian Government Trade Commissioner

(Editor's Note—This is the first of two articles on conditions in the Eastern Caribbean and the Guianas, prepared for *Foreign Trade*.)

PORT OF SPAIN.—While prosperous conditions continued in this area in the middle months of the year, a change in the pattern of trade is now evident. Rigorous import controls, imposed by Barbados, British Guiana, the Leeward and Windward Islands and Trinidad, as a result of the dollar shortage, have reduced by one-third their purchases from Canada. Formerly the principal source of supply, the Dominion has now fallen into an uneasy second place, and just ahead of the United States. Foreign competition is increasing, as suppliers seek to regain a share of their former market aided by the preference granted "war-torn" countries.

Rigid application of controls on imports from the dollar areas, plus an increased supply of goods available, enabled the United Kingdom to regain her prewar position as chief supplier by a wide margin. This change has not been accomplished without painful adjustment. British prices are claimed to be high, even exorbitant. Much publicity has been given the subject by protests from the various Chambers of Commerce to United Kingdom authorities.

Restrictions on Dollar Imports Will Affect Canada's Trade Further

Recent removal of import controls from a wide range of commodities when imported from the United Kingdom and colonies group will tend to further accentuate Britain's lead. As long as present restrictions on dollar imports continue in force, Canada's trade will continue to suffer, and in some cases, the losses will be irreparable. This will be particularly true in the switch now taking place in supply from American subsidiaries in Canada to American subsidiaries in the United Kingdom. Two examples in point are refrigerators and rubber products. Branded lines will also suffer heavily.

French and Dutch colonies in this area continued to receive the major part of their supplies from their mother countries, but certain essentials such as flour and trucks come from Canada and the United States.

The retail trade, though seasonally slack, compares most favourably with last year and, in some cases, firms reported sales exceeding 1947's record volume. On the average, expectations are that business will be good or a little better than the previous year. Conditions are far from uniform. St. Lucia, for example, has been badly hit by a disastrous fire which destroyed the major part of the town of Castries, the island's capital. Barbados has had a minor slump, due to the very poor sugar crop and shortage of home-grown foodstuffs. Wage increases continue to be granted as living costs rise and these have a stabilizing effect on business.

Exports have continued at a high level and prices are still rising. Trinidad, with imports totalling \$57,438,970, has increased her exports to



British West Indies—*Canadian Constructor* loading at Bridgetown, Barbados. Imports into the Eastern Caribbean from Canada were reduced by one-third, as a result of import controls imposed due to the dollar shortage.

Photo by Canadian National Steamships

\$64,803,639 from \$39,734,317, achieving a favourable balance of trade for the first six months of \$7,364,669, as against a deficit of \$19,547,896 in the previous year. In British Guiana, exports were down for the same period, while imports had increased to give an unfavourable balance of \$6,688,786 as against \$2,514,534 last year. Barbados, with her poor sugar crop, had an unfavourable balance of trade. Exports amounted to only \$9,131,899, and imports totalled \$15,960,792, leaving a deficit of \$6,828,893. With the excellent tourist season, however, invisible exports must have been substantial.

Highlighting Trinidad's exports were oil, citrus and cocoa, while British Guiana had greatly increased exports of bauxite. Exports of rum to the United Kingdom from the West Indies remained high, being only limited by supplies of sufficiently aged rum.

Construction Still Constitutes Major Source of Employment

Residential and business construction continued as a major source of employment. Public works were somewhat restricted by lack of the necessary funds for construction and maintenance, but these are expected to pick up as grants become available from the Colonial Development and Welfare Fund and from the proceeds of loans that are to be raised. In British Guiana, a brick and tile factory has been put into operation. When fully completed, it is expected to supply a large proportion of building material formerly imported. In Trinidad, a major disappointment has been the postponement of construction of the cement factory, due to the present estimated high cost. A half-million-dollar bond issue by the

Trinidad Telephone Company to pay back a loan from its parent company which had been used for development was oversubscribed in three hours. A proposed scheme for the improvement of the San Fernando harbour has been drawn up and received local approval. It is now awaiting the necessary authorization from the government. Barbados is waiting for a harbour expert to report on the financial aspect of the new harbour scheme which will cost several million dollars.

Latest returns show that governmental revenues from customs and excise are substantially below last year, though well above budget estimates. Expenditures, on the other hand, by use of strict economy, have been kept to a minimum. In addition, the drop in the price of flour has helped to decrease the large bill for subsidies. If present conditions continue, budget surpluses should result.

Federation of British West Indies Being Studied

Federation of the British West Indies has been the object of much publicity. Although opinion on federation has not been crystallized, even the least enthusiastic seem to feel that a unified currency and a customs union are necessary prerequisites for the establishment of a stable economy.

An announcement is expected shortly with regard to Trinidad's new constitution. This constitution is expected to place more power in the hands of the elected members as a further step forward to eventual self-government.

Discharge of Certain Defective Drums Prohibited

Bombay, November 20, 1948.—(FTS)—Defective drums, containing bleaching powder or caustic soda, will no longer be discharged in this port. The docks manager has issued a notice to the effect that shipments have recently been landed in unsound and broken containers. As the contents of these drums possess highly irritant and corrosive properties, when exposed, and are a source of danger to labourers handling such cargo, shipping agents have been notified that, from January 1, 1949, this type of commodity will be discharged only if packed in perfectly sound containers.

Colonial Development Corporation Boosts Gold Mining

Port of Spain, November 15, 1948.—(FTS)—The Colonial Development Corporation will advance \$984,000 to the British Guiana Consolidated Goldfields, Limited, a British mining company which has been a consistently high gold producer for the past twelve years. Production will be increased by 180 per cent, from 700 ounces to 2,000 ounces monthly, with the aid of a large dredge to be purchased from the United States.

The Colonial Development Corporation's investment will be in the form of debentures, convertible to ordinary shares, thus entitling the corporation to an equal partnership in the enterprise. B. G. Consolidated has 75,500,000 proved cubic yards in the Mahdia, Potaro and Konawaruk, which should provide work for 18 years, with an estimated production of \$20,000,000. Exploratory surveys are being carried out in the Siparuni and the Mawossie. This investment represents the first financial interest taken by the Colonial Development Corporation in gold mining.

Import Control Program in Chile Correcting Economy of Country

Increased exports of copper and nitrates greatly assisted government to liquidate foreign exchange arrears—Accumulation of goods in customs being reduced—Favourable trade balance greatly increased in first six months of this year as compared with similar period in 1947.

By E. H. Maguire, Acting Commercial Secretary for Canada

(One peso equals 5 cents Canadian)

(Editor's Note—This is the first in a series of three articles on economic conditions in Chile, prepared for *Foreign Trade*.)

SANTIAGO, September 10, 1948.—Chile's program of rigid import control and stimulation of agricultural and industrial production to correct the adverse effect on the country's economy caused by the shortage of foreign exchange has been meeting with a fair measure of success. Commercial circles are now viewing the future with a certain degree of confidence, a feeling which was not apparent in the early months of this year. Chile depends mainly for its foreign exchange earnings on exports of copper and nitrates. The fact that shipments of these commodities have been retained at a high level at satisfactory prices has been of great assistance to the government in its endeavour to liquidate foreign exchange arrears and to maintain the flow of essential goods into the country. The revival of the nitrate industry has been particularly noticeable and is reflected in nitrate shares, which have increased four-fold in value since 1945. Orders placed to date on E.R.P. account for copper and nitrate have been of material assistance. The total value of these orders is larger than that allotted to any other Latin American country.

The accumulation of goods in the custom house, brought about by the former practice of issuing import permits without relation to the amount of exchange available, is being rapidly reduced and it is expected that this backlog will be cleared by the end of this year. However, in paying off these arrears it has been necessary to restrict the issuing of import permits for new business to an absolute minimum, resulting in shortages of many goods, particularly raw materials used by industry. During the months of May and June, long coffee queues were a common sight in Santiago, and periodic shortages of milk, butter, meat and sugar have combined to make the lot of the Chilean housewife very difficult. Merchants' stocks of imported goods have been exhausted and it has not always been possible for local manufacturers to fill the gap.

Country Has Outward Appearance of Prosperity

The country has an outward appearance of prosperity. Savings deposits of the public have reached an all-time high, as has the total amount of money in circulation. A building boom in both residential and commercial construction has been in progress, but there are signs that the saturation point is being reached. It is now possible to rent good office space in Santiago, which was not the case a year ago. Apart from speculative ventures, this activity reflects the desire of investors to hedge against inflation.

The Government's policy of encouraging food production by allowing remunerative prices to producers of field crops, has resulted in unprecedented

prosperity in farming communities. Producers of dairy products and livestock, however, are dissatisfied with their position. Despite shortages of raw materials, factory production is being maintained more or less at last year's level and new enterprises, of which there are many, are receiving maximum protection from foreign competition. The labour picture is reassuring and there have been no important work stoppages during this year, nor are any expected in the near future.

The cost of living is continuing to rise despite vigorous official attempts to hold down prices. Much of this increase, however, is forced by the higher prices ruling for imported raw materials. Speculation in prime necessities has been discouraged by severe penalties imposed by the government. Wage levels are keeping pace with the rise in cost of living, but with the usual time lag. There was no public outcry against the 20 per cent increase in rates on the Chilean State Railways, as well as the substantial increase in gas and electricity rates. Transportation facilities have been greatly improved in the city of Santiago through the introduction of a number of trolley buses.

Agreement with Great Britain Should Aid Trade with Sterling Area

The agreement signed with the United Kingdom last June should give a stimulus to trade with the sterling area. By the terms of this agreement, Chile undertakes to accept sterling which cannot be converted into dollars in payment for her secondary exports. Exports of agricultural products in particular are expected to benefit. Chile will be provided with sterling to pay off arrears and to cover current purchases in sterling-area countries.

Chile is still hampered in her international exchange transactions by the necessity of providing remittances for a backlog of merchandise held in the customs as a result of authorizing imports for a total beyond the capacity of the country to pay.

The export rate was artificially held at 31 per U.S. dollar (cross rate for sterling 124.78), but at this rate the exporters from the small mines and those of agricultural produce were unable to compete on the world market. With the formulation of the foreign exchange budget for 1948, two principal rates of exchange were created, namely: 31 pesos per U.S. dollar for highly essential imports, in practice chiefly fiscal and semi-fiscal operations; and 43 pesos per U.S. dollar for general trade operations. In addition, newsprint still claims a preferential rate of 25 pesos per U.S. dollar. All operations at the foregoing rates require an import permit issued by the Foreign Trade Council. In addition there is a free market rate, which at one time bordered on 70 pesos per U.S. dollar and is now around 62 pesos. A decree has recently been issued providing for the payment of goods on the prohibited list held in customs, but for which official exchange will not be made available. It is not clear from the wording of the decree as to whether these outstandings are to be paid by gold purchased on the stock exchange, or whether free market dollars will be permitted. In the meantime, requests for permits must be presented within two months and, once the interpretation is made clear, increased demand will cause an appreciation in value of either gold coin or dollar cheques.

In all probability, the sale of export dollars next year will be effected at a uniform rate, displacing the 31 pesos and 43 pesos per U.S. dollar system and, while no indication is given as to the rate to be fixed, it is likely to be nearer 50 pesos than 31 pesos.

It is stated that the amount of foreign exchange obtained from exports during the first eight months of this year has been larger than expected. Exchange income from the exports of agricultural and animal products, copper and nitrate greatly exceeded expectations, but this increase has been partially offset by the disappointing returns from the exports of the small



Chile—Santiago, which is overshadowed by the Andes, is laid out with great regularity and has many fine public squares. A program of rigid import control, as well as increased production, has aided in correcting the economy of the country.

Photo courtesy Valladares.

mining companies and industries in general. The resumption of coal and other industrial exports will tend to increase the expected surplus.

As a result of purchases of vegetable oils and grains during 1947 and the first part of this year, this country owes Argentina the sum of \$22 million which is supposed to be paid sometime during the current year. There is also an outstanding debt with Brazil amounting to 100 million Chilean pesos, for which a payments agreement has been reached extending over a period of eighteen months.

Large Backlog of Goods Held in Customs House

At the commencement of this year, it is estimated that there were 40 million dollars' worth of goods piled up in the customs house in Valparaiso. Of this total, \$8,000,000 represented goods which arrived with or without the benefit of import permits and which were classed as luxuries or non-essentials by the authorities. In addition, 20 to 25 million dollars' worth of drafts, representing goods which had been cleared from the customs against local currency, remained outstanding. Thus, at the beginning of this year Chile's total foreign exchange arrears, with respect to goods which reached the country, were in the neighbourhood of \$65 million.

The Foreign Trade Council, the import control authority, has been taking determined steps to clear up these arrears and at the same time find sufficient exchange to maintain the flow of essential goods into the country.

A fair measure of success has been attained, but only at the expense of the exclusion of all luxuries and of consumer goods of every-day use, many of which cannot be economically produced in Chile. The Council expects that the backlog of goods in the customs will be cleared before the end of this year, but of the drafts representing goods which have been cleared against local currency, \$7,000,000 to \$12,000,000 will remain outstanding.

The Council is issuing very few permits for forward business in non-prohibited items, but exchange for these goods is immediately made available when the drafts are presented, except in cases where approval is given on the condition of credit terms granted by the exporter. It is likely that a rigid import control will be maintained throughout 1949. In view of the fact that the Foreign Exchange Council gives every appearance of being operated in an efficient and business-like manner, and is issuing import permits only in accordance with the amount of exchange available, there is little likelihood that goods will again accumulate in the customs, as was the case last year.

Large Favourable Trade Balance Recorded in First Half of This Year

The Chilean Government's policy of attaining a larger favourable credit balance in its foreign trade has met with a fair measure of success. During the first six months of this year, the value of exports exceeded that of imports by 139.2 million gold pesos, as compared with the favourable balance of 76.4 million gold pesos during the similar period of 1947. Since the beginning of this year, monthly exports have averaged 123.5 million gold pesos and imports have been held down to an average of 100.3 million gold pesos. The latter figure in no way reflects the actual demand for imported goods in this market, and there is every indication that rigid import controls will continue to be applied throughout the remaining months of this year and probably well into 1949.

Chile's Visible Balance of Foreign Trade

	Exports		Imports		Balance	
	1947	1948	1947	1948	1947	1948
	(Values in millions of gold pesos of 6d. each)					
January-June	630.9	740.9	554.5	601.7	+76.4	+139.2
January	46.7	88.4	91.1	99.1	-44.4	-10.6
February	87.2	96.3	99.5	90.3	-12.3	+ 6.1
March	106.4	109.2	74.5	100.1	+31.9	+ 9.1
April	147.1	127.3	78.9	101.1	+68.2	+26.2
May	117.6	168.0	107.2	84.2	+10.4	+83.8
June	125.8	151.7	103.3	126.9	+22.5	+24.8

Foreign Trade of Chile, by Countries

	Imports		Exports	
	(In thousands of tons)	(In millions of gold pesos of 6d.)	(In thousands of tons)	(In millions of gold pesos of 6d.)
	January-May, 1948			
Canada	4.3	6.5	1.7	0.6
Argentina	61.9	52.8	42.2	33.0
Brazil	5.3	15.1	18.4	7.7
Curacao	216.7	23.0	0.0	0.0
United States . . .	111.3	191.9	1,388.6	343.7
Great Britain . . .	11.9	28.3	34.4	29.8
India	4.7	10.9	19.0	7.1
Italy	0.9	10.7	24.7	29.6
Peru	196.9	69.1	16.2	4.3
Sweden	13.8	15.9	8.8	2.4
Other countries . .	63.3	53.6	386.0	131.2
Total	691.0	477.8	1,940.0	589.4

During the first five months of 1948, nitrates accounted for about 40 per cent of the total export tonnages, iron ore for approximately 45 per cent and copper for approximately 10 per cent. Copper, however, represented

over 60 per cent and nitrates about 15 per cent of the total value of Chile's exports during this period. Chief imports have been petroleum products from Peru and Curacao, sugar from Peru and machinery from the United States. Machinery imports during the first five months greatly exceeded the value of similar imports in 1947, greatest increases being noted in agricultural and textile machinery.

South Africa Buys More Fabrics, Less Clothing From Canada

One of Canada's most important textile customers—Mark-up system of pricing wearing apparel revised—Local industry seeks added protection—Research needed to maintain sound competitive position.

By D. S. Armstrong, Assistant Commercial Secretary for Canada

(Editor's Note—This is the second of two articles on the garment industry in South Africa, prepared for *Foreign Trade*. The first appeared in the December 4th issue.)

JOHANNESBURG, August 30, 1948.—Importance of the South African clothing trade to Canadian textile manufacturers is illustrated by Canadian trade returns. These show that, in 1946, 1947, and the first four months of 1948, South Africa has been one of Canada's best customers. These figures also indicate the rapid decline in Canadian trade which has taken place over the past three years. In 1946, exports of rayon, cotton and wool clothing to South Africa (excluding socks, stockings, hats, gloves and braces) reached \$4,077,877, of which 72 per cent were rayon dresses. In 1947, the comparable figure was \$1,462,390, while a projected estimate of value for 1948 (based on January to April figures) is \$1,025,000.

On the other hand, the industry's importance as a buyer of piece-goods must not be forgotten. The increasing shipments of Canadian fabrics, particularly artificial silk, illustrate the growing demand in South Africa, as well as the popularity of Canadian materials.

Exports of Canadian Fabrics to South Africa

	1944	1945	1946 (In yards)	1947	1948 (4 months)
Cotton	105,183	235,304	497,679	728,962	164,430
Wool .....	.....	.....	14,244	24,835	578
Rayon	135,933	302,062	580,907	1,001,128	411,477
Total	241,116	537,366	1,092,830	1,754,925	576,485

Using January to April figures as a basis for estimating 1948 total exports, cotton and wool will show a decline, but artificial silk exports may reach 1,234,431 yards. The total yardage may also show a slight rise to about 1,789,500.

Advent of price control as a necessary part of the war and postwar economy has imposed difficulties on both the manufacturing and distributing sections of the industry. The problem of establishing mark-ups for the clothing trade, with its wide variety of items and selling methods, led to regulations which were inevitably complex. Previous to the recent general election, a voluntary system known as "Redcol" (reduce the cost of living) was introduced with the qualified support of organized commerce and industry. The new government replaced Redcol by a scheme establishing lower profit margins by regulation.

One of the pricing factors which will affect Canadian exporters in future is the recent abolition of the differential in mark-ups applying to imported and locally made wearing apparel which previously favoured the former. It will now be less profitable for wholesalers and retailers to sell imported merchandise.

Local Industry Seeks More Protection

The Clothing Manufacturers' Association have been conducting a vigorous campaign to obtain additional protection for their products. The present rates of customs duties are among the lowest in the world, ranging from 15 per cent to 30 per cent. Dresses, the major item imported, are assessed a duty of 15 per cent, or 40 cents each, whichever is the higher. The industry argues, with a great deal of justification, that its greatest competition comes from end-of-season dumping by the Northern Hemisphere traders.

The South African customs tariff allows for percentage *ad valorem* duties and the rate is applied to the f.o.b. value, provided that such value bears a close relationship to that which the article would command in the domestic market. This proviso is designed to discourage "dumping", but it has never been applied to end-of-season fashion goods. It is common knowledge that fashion wear varies widely in price within one season. Consequently the export price of certain types of clothing usually bears a close relationship to the true domestic value when the sale is made, although there may be no such relationship to the cost of production. The suggestion has been made that a special duty of 50 per cent should be applied to off-season fashion goods. The South African Board of Trade and Industries' reply to this is as follows: "The Board is . . . convinced that, even if it were in the public interest to prevent such imports by the imposition of a special duty, which would represent the difference between the cost of production of the goods in the country of origin, plus a reasonable margin of profit, and the export price, it would be impossible for the Department of Customs and Excise to control the cost of production of thousands of small manufacturers scattered over Europe and the United States".

Probably because of the Union's industry operating at full capacity and the steadily rising cost of living, the industry's representations and propaganda so far have met with little success. The authorities do feel, however, that the duty on women's ready-made dresses should be increased to 25 per cent to secure a more orderly development of the industry in future.

Industry Developing on Sound Basis

The South African clothing industry, despite its haphazard growth, appears to be developing on a sound basis. The quality of merchandise produced compares favourably in most instances with the imported article, and the distributive trade does not share the consuming public's prejudice against South African-made goods. Production costs are high and will probably increase, although they are considered to be in line with those in other countries. When such ideas as cost systems and industrial research are adopted, manufacturers will be in a more competitive position than at present. The industry realizes that the consuming public should not be called upon to pay for inefficiency by way of high protective tariffs, but, at the same time, it feels strongly about the difficult competition offered by imports of off-season merchandise. The industry is basically one of free enterprise; as such it dislikes controls and believes that free and fair competition will improve efficiency, promote higher standards and possibly lower prices.

Bacon and Egg Contracts With Britain Smaller, But Cheese is Unchanged

Provision made for purchase of 160,000,000 pounds of bacon, 50,000,000 pounds of cheese and 46,000,000 dozen shell eggs, or their equivalent in dried or frozen form—Prices paid for bacon and cheese are unchanged, but that for eggs lower.

GREAT BRITAIN has undertaken to purchase from Canada during the coming year 160,000,000 pounds of bacon, 50,000,000 pounds of cheese and 46,000,000 cases of shell eggs, or the equivalent in the form of dried whole eggs or frozen whole eggs. The price at which bacon and cheese will be purchased is the same as that provided for in the 1948 contract between Canada and the United Kingdom, while that for the eggs is slightly lower. Shipments of bacon and cheese are subject to approval for payment by the Economic Co-operation Administration, in Washington, and to the ability of this country to supply the stipulated quantities.

The bacon contract provides for the supply of 160,000,000 pounds at \$36 per hundred pounds for A Number One Sizeable Wiltshire sides, which compares with a similar price for 195,000,000 pounds in 1948. It is estimated that the contract will absorb all Canadian bacon available for export. Export controls will be maintained on pork products, however, to ensure that the stipulated quantities are made available to the United Kingdom, so far as possible.

Provision has been made for the United Kingdom to purchase the 50,000,000 pounds of cheese on the same basis of 30 cents per pound, f.o.b. factory. No cheese will be requisitioned from factories in 1949.

The 1949 egg agreement is for the equivalent of 46,000,000 dozen eggs, covering the eleven months from February 1 to December 31. Provision in the previous agreement was for the supply of 74,000,000 dozen eggs between February 1, 1948, and January 31, 1949. Shipments during the coming year will amount to 19,500,000 dozen storage eggs, 3,000 tons of dried eggs and 4,000 tons of frozen eggs.

Other Export Markets Expected to Absorb Surplus

While the new contract volume is below that provided for in the 1948 contract, it is considered other export markets will be able to absorb the remaining exportable surplus in 1949.

Prices under the new contract are: 52½ cents per dozen for storage eggs; \$1.36 per pound for dried eggs and 32½ cents per pound for frozen eggs. These compare with prices under the 1948 contract of 54½ cents per dozen for storage eggs, \$1.46 per pound for dried eggs and 35 cents per pound for frozen eggs.

Great Britain imported during 1947 a total of 2,634,806 cwts. of bacon, of which 1,962,454 cwts. were from Canada, representing 74.4 per cent of the total. Imports of cheese amounted to 3,830,029 cwts., of which Canada supplied 458,024 cwts., or 12 per cent. Imports of shell eggs totalled 1,357,568 cwts., of which 640,285 cwts. were shipped from Canada, representing 47 per cent of the total. Canada also supplied the United Kingdom in 1947 with 110,453 cwts. of dried eggs, 16 per cent of the total imported, and 14,145 cwts. of frozen eggs, representing five per cent of the total.

Canadian Exports, by Commodities

Commodities	October			January-October		
	1938	1947	1948	1938	1947	1948
MAIN GROUPS						
	(Millions of Dollars)					
Agricultural, Vegetable Products.....	28.6	51.2	73.2	146.9	550.7	478.4
Animals and Animal Products.....	11.0	30.3	48.1	95.4	265.0	357.0
Fibres, Textiles and Products.....	1.1	4.7	3.7	11.1	41.4	39.2
Wood, Wood Products and Paper.....	20.3	90.1	82.0	173.9	722.1	791.0
Iron and Products.....	3.4	23.4	25.9	51.6	226.2	221.5
Non-Ferrous Metals and Products.....	18.2	26.4	37.3	150.1	249.2	325.1
Non-Metallic Minerals, Products.....	2.4	7.4	9.4	20.1	61.1	75.9
Chemicals and Allied Products.....	1.8	7.1	5.7	16.5	69.9	67.3
Miscellaneous Commodities.....	1.3	10.2	21.5	17.1	69.9	109.8
TOTAL DOMESTIC EXPORTS.....	88.2	250.8	307.0	682.7	2,255.6	2,465.1
	(Thousands of Dollars)					
Agricultural, Vegetable Products:						
Fruits.....	3,072	2,695	1,853	8,387	12,085	6,822
Vegetables.....	1,462	1,336	1,717	4,492	14,425	7,265
Wheat.....	15,590	15,745	33,374	67,619	213,751	181,862
Grains, other.....	1,419	2,969	7,122	9,934	26,151	43,188
Flour of wheat.....	1,779	17,639	14,619	14,919	172,186	101,616
Farinaceous products, other.....	1,328	1,527	1,461	9,744	14,447	18,633
Sugar and products.....	171	514	347	1,774	6,845	5,138
Alcoholic beverages.....	1,154	2,458	2,926	8,364	23,118	22,282
Vegetable fats and oils.....	25	533	689	128	5,490	12,448
Rubber and products.....	1,608	2,608	2,781	12,470	27,169	27,543
Seeds.....	624	889	3,984	1,863	10,645	30,001
Tobacco.....	64	663	851	4,979	12,672	7,292
Vegetable products, other.....	315	1,596	1,503	2,254	11,747	14,286
TOTAL.....	28,611	51,173	73,228	146,926	550,733	478,376
Animals and Animal Products:						
Cattle.....	915	1,285	14,005	7,380	12,134	53,746
Other animals, living.....	124	1,091	1,272	1,174	3,120	10,516
Fish and fishery products.....	2,700	9,657	7,341	21,443	65,963	70,912
Furs and products.....	344	725	561	11,414	21,802	21,139
Leather and products.....	661	1,693	979	4,549	17,087	10,982
Bacon and hams.....	2,183	1,823	2,734	25,964	49,919	65,364
Meats, other.....	751	1,088	8,812	4,167	34,404	45,876
Cheese.....	1,780	3,729	2,992	8,983	10,494	9,293
Milk products, other.....	586	1,644	2,347	3,765	12,832	15,258
Eggs, shell and processed.....	149	6,858	5,873	346	29,866	35,865
Animal products, other.....	840	725	1,222	6,182	7,759	18,043
Total.....	11,033	30,318	48,140	95,366	265,016	356,995
Fibres, Textiles and Products:						
Cotton products.....	228	996	1,152	2,134	8,747	8,394
Flax, hemp and jute products.....	4	57	118	79	960	1,532
Wool and products.....	141	970	660	1,118	7,526	10,649
Artificial silk and products.....	128	1,219	503	1,934	10,190	6,463
Textile products, other.....	605	1,451	1,302	5,826	13,984	12,163
Total.....	1,107	4,693	3,735	11,092	41,406	39,200
Wood, Wood Products and Paper:						
Planks and boards.....	3,340	23,700	17,377	29,114	167,883	167,315
Pulpwood.....	1,209	4,581	4,698	12,387	27,214	36,649
Unmanufactured wood, other.....	1,270	7,915	6,192	14,703	62,167	62,153
Wood pulp.....	2,502	16,703	17,217	22,902	145,496	175,850
Manufactured wood, other.....	214	640	665	2,459	6,529	6,362
Newsprint paper.....	10,834	33,528	32,966	84,727	283,125	310,919
Paper, other.....	793	2,616	2,613	6,849	25,097	27,889
Books and printed matter.....	91	383	303	785	4,607	3,855
Total.....	20,253	90,067	82,031	173,926	722,117	790,991

Note.—Throughout this bulletin, totals represent unrounded figures, hence may vary slightly from rounded amounts.

Canadian Exports, by Commodities—Concluded

Commodities	October			January-October		
	1933	1947	1948	1933	1947	1948
(Thousands of Dollars)						
Iron and Products:						
Iron ore.....		897	1,317	1	5,377	4,177
Ferro-alloys.....	88	2,044	2,726	880	18,192	19,949
Pigs, ingots, blooms, billets.....	60		198	2,406	3,794	2,251
Rolling mill products.....	264	1,064	1,976	4,407	8,096	18,644
Locomotives and parts.....		12	400	238	13,995	3,876
Farm machinery and implements.....	340	4,284	7,167	7,166	35,415	61,204
Hardware and cutlery.....	204	431	379	1,841	4,760	4,324
Machinery (except farm).....	594	4,646	3,258	8,127	32,560	32,670
Automobiles, freight.....	461	1,843	1,349	6,298	32,977	14,841
Automobiles, passenger.....	698	2,998	1,883	12,821	28,162	13,408
Automobile parts.....	182	1,932	1,679	2,338	16,103	12,552
Railway cars and parts.....	2	427	780	17	2,126	5,664
Iron products, other.....	529	2,795	2,785	5,051	24,634	27,921
Total.....	3,422	23,375	25,898	51,590	226,191	221,481
Non-ferrous Metals and Products:						
Aluminium and products.....	3,266	5,757	9,832	19,824	53,040	87,514
Brass and products.....	98	273	254	845	2,785	3,706
Copper and products.....	4,780	5,665	7,594	43,077	45,302	64,411
Lead and products.....	1,040	1,996	2,819	7,573	25,024	26,021
Nickel.....	5,125	5,682	6,470	44,069	51,048	60,969
Precious metals, except gold.....	2,273	1,531	2,179	20,256	19,848	21,350
Zinc and products.....	923	2,819	5,134	8,388	25,366	33,631
Electrical apparatus, n.o.p.....	322	1,461	1,166	3,516	15,907	13,790
Non-ferrous products, other.....	328	1,252	1,879	2,599	10,893	13,666
Total.....	18,155	26,435	37,326	150,146	249,214	325,060
Non-Metallic Minerals, Products:						
Asbestos and products.....	1,466	3,107	3,957	10,523	26,756	33,851
Coal.....	109	753	1,109	1,215	4,294	8,364
Petroleum and products.....	117	942	960	620	5,446	7,371
Abrasives, artificial, crude.....	257	1,072	1,200	3,307	11,072	11,042
Non-metallic products, other.....	493	1,575	2,189	4,425	13,578	15,274
Total.....	2,442	7,449	9,415	20,089	61,146	75,901
Chemicals and Allied Products:						
Acids.....	181	419	427	1,092	3,026	4,948
Medicinal preparations.....	168	355	145	1,270	3,429	2,731
Fertilizers.....	323	3,060	2,151	6,036	28,557	30,283
Paints and varnishes.....	81	767	562	753	6,160	5,079
Calcium compounds.....	39	205	318	399	1,742	2,408
Soda and sodium compounds.....	454	465	423	3,492	4,552	4,190
Chemical products, other.....	585	1,807	1,677	3,417	22,455	17,676
Total.....	1,831	7,078	5,703	16,459	69,921	67,314
Miscellaneous Commodities:						
Toys and sporting goods.....	67	213	199	439	1,614	1,619
Films.....	155	308	214	3,127	2,619	3,072
Ships and vessels.....	4	4,347	16,341	192	16,198	59,149
Aircraft and parts.....	23	410	458	2,739	5,273	9,921
Electrical energy.....	345	663	319	3,464	4,840	3,827
Miscellaneous consumer goods.....	215	823	691	1,690	9,826	5,871
Miscellaneous, other.....	214	1,497	1,021	3,308	11,371	7,800
Donations and gifts.....		507	984		8,781	7,013
Non-commercial articles.....	290	1,406	1,262	2,165	9,379	11,524
Total.....	1,315	10,174	21,490	17,125	69,900	109,797

Prompt shipment is one step towards a repeat order. If delay is to be expected, write an explanation at once. Don't wait to be asked for it. (See our ABC of Canadian Export Trade, page 45.)

Trade and Tariff Regulations

Eire Announces Import Quotas for Brushes and Metal Screws

Dublin, November 26, 1948.—(FTS)—Eire has announced further import quotas and quota periods as follows: Brushes, brooms and mops (domestic or household), 24,000 articles, previous six-month quota unaltered; brushes (for human use), 48,000 articles, compared with 96,000 articles for previous six months; brushes (other), 60,000 articles, as against 96,000 articles for previous six-month period; metal screws, 100,000 gross, of which 96,000 gross must be of Canadian or United Kingdom manufacture, representing no change in the previous six-month quota.

The period fixed in all of the above cases extends from January 1, 1949, to June 30, 1949.

India Extends Import Licences

New Delhi, December 4, 1948.—(FTS)—Due to delays that were caused by the strike of workers in United States ports, the government has decided that import licences expiring on or after October 15 can be utilized for shipments to India made up to December 31, plus 15 days normal grace period.

Iran Establishes Exchange Rates for Imports

Cairo, November 23, 1948.—(FTS)—Further information is now available concerning the decision of the Iranian Government to stabilize the exchange rate of the rial and the commodities considered "essential" and "important", to which reference was made in the November 13, 1948, issue of *Foreign Trade*. While the rial was quoted at an official rate of 32 to U.S.\$1, this rate did not apply to import transactions, except for a few commodities of the highest essentiality. For all ordinary imports, foreign exchange had to be purchased in the free market at rates ranging from 200-240 rials to the pound sterling, or 50-60 rials to U.S.\$1. As reported in the March 20, 1948, issue of *Foreign Trade*, the government and banking authorities proposed to put an end to the wide fluctuation in the free market rate. This has now been brought about by the establishment of two fixed rates:

(a) An official rate of 32 rials to U.S.\$1.

(b) An export rate of 62 rials to U.S.\$1.

These dual rates of exchange apply to the importation of foreign merchandise within quota limits, as follows:

(a) Foreign exchange will be provided at the official buying rate of 32.5 rials to the U.S.\$1 for all imports purchased by the government, and for new factory equipment, electric plants and spare parts, agricultural and water-drilling equipment and irrigation pumps.

(b) For importation of cotton piece-goods, drugs, paper, gunnies, hessian cloth, medical accessories, books and printed matter, 60 per cent foreign exchange will be supplied at the official rate and for the balance of 40 per cent the importer will supply the bank with foreign exchange sale certificates.

(c) For importing iron for building requirements, paints, chemicals, hides, skins (oxen, buffaloes, calves), airplanes, lorries, truck tires and cardboard, 30 per cent foreign exchange will be supplied at the official rate and for the balance of 70 per cent the importer will supply foreign exchange sale certificates.

(d) For importation of other permitted goods, the importer will submit to the bank 100 per cent foreign exchange sale certificates.

Trade and Tariff Regulations—*Concluded*

Shipments of Foodstuffs to Newfoundland Simplified

Certificates of essentiality, formerly issued by the Newfoundland Government and required in support of applications for permits to export most foodstuffs and allied products to that country, are no longer necessary.

These certificates were used in the administration of the various export allocations, established under the food programs effective between Canada and Newfoundland. Export permits are now being granted freely for all foodstuffs and allied products being shipped to Newfoundland from Canada.

United States Quota on Seed Potatoes Nearly Filled

Washington, December 3, 1948.—(FTS)—The quota of 2,500,000 bushels of white or Irish certified seed potatoes for the quota year beginning September 15, 1948, was approximately 85 per cent filled on December 1. Collectors of customs have been instructed to require the deposit of estimated duties at the full tariff rate of 75 cents per 100 pounds on entries for consumption of such potatoes on December 6 and thereafter until September 15, 1949.

Jamaica Raises Import Duties on Alcoholic Beverages and Tobacco

Kingston, November 12, 1948—(FTS)—Jamaica substantially increased import and excise duties on alcoholic beverages and tobacco on November 10 in order to meet an anticipated deficit of £1,200,000 in government transactions during the current fiscal year. The old and the new rates of import duty are as follows:

	Old rates		New rates	
	Preferential tariff	General tariff	Preferential tariff	General tariff
Ale, stout, porter, beer, cider and perry, per gallon	£0. 4.10½	£0. 6. 6	£0. 6. 0	£0. 8. 0
Brandy, whisky, gin and rum, in bottle, not exceeding 80 per cent proof strength, per liquid gallon	3.12. 0	5. 0. 0	4.10. 0	6. 0. 0
Brandy, etc., as above, not in bottle, or over 80 per cent proof strength, per proof gallon	4.10. 0	6. 0. 0	5.12. 6	7.10. 0
Bitters, liqueurs, and cordials, including flavouring extracts, 40 per cent proof strength or over, per liquid gallon....	4.10. 0	6. 0. 0	5.12. 6	7.10. 0
Cigarettes:				
(a) Made in the British Empire, of not less than 50 per cent of British Empire tobacco, per lb	1. 3. 8	.....	1.10. 4	.....
(b) Made as above, of less than 50 per cent of British Empire tobacco, per lb.	1. 4. 8	.....	1.11. 4	.....
(c) Not otherwise specified, per lb...	.....	1. 5. 8	.....	1.12. 4
Other manufactured tobacco, except cigars, per lb.	0.14. 0	0.14.10	1. 1. 0	1. 1.10

The rates of excise duty on locally produced beer, spirits, cigars, cigarettes and pipe tobacco have been correspondingly increased.

Wholesale and retail costs of the articles affected have, of course, risen. So far, the Food Controller has fixed prices of beer and cigarettes made in Jamaica. A pint of such beer that used to cost 9d. now sells for 11d., and for a popular brand of cigarettes hitherto retailed at 7d. per pack of ten, the smoker must now pay 9d. The retail price of Scotch whisky has hitherto been 21s. or 21s. 6d. per bottle. It is expected to rise to about 25s.

Trade Commissioners on Tour

CANADIAN Trade Commissioners return periodically from their posts in foreign lands to familiarize themselves with conditions in this country and the special requirements of the commercial community. They are in a position to furnish information concerning markets in their respective territories and possible sources of supply. Exporters and importers are urged to communicate with these officers, when in their vicinity, and to discuss the promotion of their particular commercial interests, now and in the future. Arrangements for interviews with these trade commissioners should be made directly through the following offices in the areas concerned:

Ottawa—Foreign Trade Service, Department of Trade and Commerce

Brantford—Board of Trade.
 Brockville—Chamber of Commerce.
 Calgary—Board of Trade.
 Charlottetown—Board of Trade.
 Chatham—Board of Trade.
 Edmonton—Canadian Manufacturers' Association.
 Fredericton—Chamber of Commerce.
 Guelph—Board of Trade.
 Halifax—Board of Trade.
 Hamilton—Chamber of Commerce.
 Kelowna—Board of Trade.
 Kitchener—Chamber of Commerce.
 Lethbridge—Board of Trade.
 London—Chamber of Commerce.
 Moncton—Board of Trade.
 Montreal—Montreal Board of Trade.
 Pembroke—Chamber of Commerce.

Quebec City—Board of Trade.
 Regina—Chamber of Commerce.
 Saint John—Board of Trade.
 Saskatoon—Board of Trade.
 Sherbrooke—Chamber of Commerce.
 St. Catharines—Chamber of Commerce.
 Toronto—Canadian Manufacturers' Association.
 Vancouver—H. W. Brighton, Department of Trade and Commerce, 355 Burrard Street.
 Victoria—Department of Trade and Industry.
 Welland—Board of Trade.
 Winnipeg—Canadian Manufacturers' Association.

F. W. Fraser, Commercial Secretary for Canada in Melbourne, Australia, commenced a tour of Canada on October 25, visiting those sections of the country interested in trade with his area, which includes the States of Victoria, South Australia, Western Australia, and Tasmania.

Quebec City—December 13-14.
 Sherbrooke—December 16.
 Saint John—December 17.

Halifax—December 20-21.
 Winnipeg—January 6.
 Vancouver—January 10-19.

D. A. B. Marshall, Canadian Government Trade Commissioner (Agricultural Specialist), on posting to Northwest Europe, commenced a tour of Canada in Winnipeg on November 29. He will visit various agricultural centres, studying conditions and developments in the industry.

Calgary—December 16-18.
 Lethbridge—December 20.
 Regina—December 21.
 London—December 25-27.
 Chatham—December 28.
 Brantford—December 29.

Hamilton—December 30.
 Guelph—December 31-January 1.
 Toronto—January 3-6.
 Brockville—January 7.
 Ottawa—January 8.

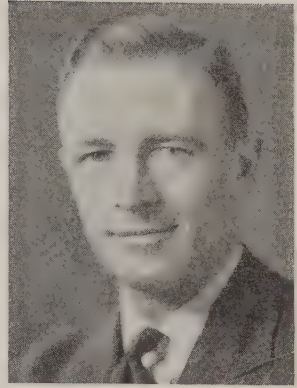
C. S. Bissett, Canadian Government Trade Commissioner in Caracas, Venezuela, has returned home on leave, and commenced a tour of Canada on December 10.

Vancouver—December 13-21.
 Victoria—December 22.
 Regina—December 27.
 Toronto—December 30-January 8.
 Kitchener—January 10.
 London—January 11.

St. Catharines—January 12.
 Welland—January 13.
 Hamilton—January 14-15.
 Quebec City—January 17.
 Saint John—January 18.

G. A. Browne Returning from Pakistan on Tour

G. A. Browne, Acting Canadian Government Trade Commissioner in Karachi, is returning home on leave this month, and will commence a tour of Canada in the new year. Businessmen wishing to discuss with Mr. Browne problems concerning their trade relations with his territory are requested to notify the Director, Trade Commissioner Service, Department of Trade and Commerce, Ottawa. This procedure will assist in the preparation of a schedule for Mr. Browne, thereby providing sufficient time for necessary interviews in given commercial centres across the Dominion. Mr. Browne opened Canada's trade office in Karachi in September, 1947.



India and Pakistan Sign New Agreement For Exchange of Essential Items

Export quota of 360,000 bales of cotton established by Pakistan for India in period ending January 31, 1949—India to supply 160,000 tons of coal a month—Original agreement on jute to stand.

By Richard Grew, Commercial Secretary for Canada

NEW DELHI, November 18, 1948.—India and Pakistan have entered into a new agreement for the exchange of essential commodities, succeeding that drawn up in May. The establishment of a monthly quota for the supply of raw cotton to India, with a lapsing clause, has been reviewed. Pakistan has agreed to an export quota of 360,000 bales for the period ending January 31, 1949, with the proviso that, if Indian purchases fall below 325,000 bales, the shortfall will be liable to lapse. The original agreement, under which Pakistan should supply 650,000 bales of raw cotton by next August, and India should supply Pakistan with 400,000 bales of cotton cloth in the same period, has been allowed to stand.

Much concern has been caused by the inability of Pakistan to supply 175,000 tons of food grains, mostly rice, due to the unexpected floods that occurred during the current crop season. However, efforts will be made to furnish the stipulated quantity from the next rabi crop. India has indicated that the full quota of coal, amounting to 160,000 tons a month, will be supplied to Pakistan, as the latter will be unable to move the raw cotton without this fuel.

Under the May agreement, India undertook to provide Pakistan with 313,720 tons of steel, pig iron and scrap, 5,000 tons of asbestos cement sheets, 2,000 tons of sulphuric acid, and a quantity of paper and board, hardwood, paints and varnish. Very small amounts of these commodities have so far been made available, but India has indicated that she will supply as much as possible. The original agreement on jute, which provided for the shipment of 1,000,000 tons of raw jute a year by Pakistan and the supply by India of 50,000 tons of jute manufactures, still stands. The position will be reviewed next January, however.

Coal Output of Bizonia Higher, But Electric Power in Short Supply

Highest daily output of coal since end of war recorded on October 30—Industrial output adversely affected by power shortage—Supplies of hard coal for power plants to be increased—Power consumption subject to controls.

By B. J. Bachand, Canadian Economic Representative

FRANKFURT, November 5, 1948.—Highest daily output of coal in the Bizonal area since the end of the war was recorded on October 30, when 311,652 tons of hard coal were mined. The previous highest daily figures were 310,147 tons on October 27 and 309,719 tons on October 25, 1948. The daily average for the week ending October 29 has now reached more than 305,000 tons.

However, consumption of electricity has been steadily rising with the production of coal and, according to local reports, has reached a critical stage. It is also reported that electric power plant failures increased during the past week, the area most affected being the northern part of Hesse. Previously power cuts were imposed in North Rhine-Westphalia.

Power Shortage Adversely Affects Output

October production at three large chemical plants in that area has already reflected the power shortage. A factory at Knappsack, which produces carbide, reported a 15 per cent drop for the week ending October 23 as compared with the week ending October 16. Further reductions in production at this factory will cause repercussions in the consuming industries, particularly large users of carbide, such as the railways and those engaged in the scrap-metal program. Other October production losses occurred in Bavaria. Nitrogen fertilizer output was reduced by 6 per cent because of the shortage of hydro-electric power at the Trostberg cyanide plant. Production losses in manufacture of machinery and equipment in the Bizonal area are also anticipated because of the critical power situation.

Supplies of Hard Coal to be Increased

Among several steps being taken to help overcome the electrical shortages, it is planned to supply power plants with hard coal in excess of allocations. The latest two steps agreed upon are: (1) to find additional coal of suitable quality to enable small electric plants in North Rhine-Westphalia to be brought into operation in an effort to increase total generating capacity; and (2) to supply additional coal to power stations already in operation to ensure an overall stock level on January 1, 1949, of not less than 500,000 tons.

Every effort is being made to restrict industrial consumption of electricity with a minimum reduction in output. Other consumer groups are restricted as much as possible, but some power is still being used wastefully and illegally for shop-window and neon lighting. It may be expected that, unless more economies in the use of power are effected immediately, either voluntarily or by the enforcement of existing regulations (which include heavy fines and disconnection of supply for non-compliance), by the German authorities, cuts will have to be increased on a wide scale throughout the Bizonal area during the winter.



Ocean-Going Sailing Schedules

Information contained in the following list of sailings is furnished by steamship companies and agents concerned. This is the latest available, and is subject to change after *Foreign Trade* has gone to press.

The loading dates and name of ship are not indicated in some instances, as information available is not sufficiently definite. The name of the operator is given, however, and exporters should seek further details from the operator or agent concerned. Ships loading within ten days of the publication date of this issue are not included, excepting those bound for Newfoundland ports.

Departures from Halifax

*Ships from Saint John about three days earlier.

(r) Indicates refrigerated cargo space.

Destination	Loading Date	Vessel	Operator or Agent
Africa-East— Lourenço Marques...	January 2-10	<i>Yarmouth County</i>	March Shipping
Africa-South— Cape Town..... Port Elizabeth..... East London..... Durban.....	January 2-10	<i>Yarmouth County</i>	March Shipping
Argentina— Buenos Aires.....	January 3-7	<i>Bowrio</i>	Cunard Donaldson
Belgium— Antwerp..... Antwerp..... Antwerp..... Antwerp.....	December 17-24 December 20-25 January 3-4 January 3-7	<i>Vasaholm</i> <i>Pont Audemer</i> <i>*Beaverqlen (r)</i> <i>Sparreholm</i>	Swedish American Furness Withy Canadian Pacific Swedish American
Brazil— Rio de Janeiro..... Santos.....	January 3-7	<i>Bowrio</i>	Cunard Donaldson
Celebes— Macassar.....	December 24-29	<i>Marken</i>	Cunard Donaldson
Ceylon— Colombo.....	January 1-10	<i>Lakeside</i>	March Shipping
China— Shanghai.....	December 25-27	<i>Ajax</i>	Cunard Donaldson
Cuba— Santiago..... Havana..... Santiago.....	December 27-30 December 18-23	<i>Dufferin Bell</i> <i>Tunaholm</i>	Pickford and Black Swedish American
Denmark— Copenhagen..... Copenhagen.....	December 17-24 January 3-7	<i>Vasaholm</i> <i>Sparreholm</i>	Swedish American Swedish American
Dominican Republic— Ciudad Trujillo....	December 27-30	<i>Dufferin Bell</i>	Pickford and Black
Egypt— Alexandria..... Port Said..... Suez.....	December 24-29	<i>Marken</i>	Cunard Donaldson

Departures from Halifax—Continued

Destination	Loading Date	Vessel	Operator or Agent
Finland—			
Helsinki.....	December 17-24	<i>Vasaholm</i>	Swedish American
Helsinki.....	January 3-7	<i>Sparreholm</i>	Swedish American
France—			
Marseilles.....	December 18-23	<i>Capo Arma</i>	Furness Withy
Marseilles.....	January 18-24	<i>Capo Vita</i>	Furness Withy
Le Havre.....	December 17-24	<i>Vasaholm</i>	Swedish American
Le Havre.....	December 20-25	<i>Pont Audemer</i>	Furness Withy
Le Havre.....	January 3-7	<i>Sparreholm</i>	Swedish American
Germany—			
Hamburg.....	December 17-24	<i>Vasaholm</i>	Swedish American
Bremen.....	January 3-7	<i>Sparreholm</i>	Swedish American
Haiti—			
Port au Prince.....	December 27-30	<i>Dufferin Bell</i>	Pickford and Black
Hong Kong.....	December 25-27	<i>Ajax</i>	Cunard Donaldson
India—			
Karachi.....	January 1-10	<i>Lakeside</i>	March Shipping
Bombay.....			
Madras.....			
Calcutta.....			
Italy—			
West Coast Ports...	December 18-23	<i>Capo Arma</i>	Furness Withy
	January 18-24	<i>Capo Vita</i>	Furness Withy
Malaya—			
Penang.....	December 24-29	<i>Marken</i>	Cunard Donaldson
Port Swettenham..			
Mexico—			
Veracruz.....	December 18-23	<i>Tunaholm</i>	Swedish American
Netherlands East Indies—			
Batavia.....	December 24-29	<i>Marken</i>	Cunard Donaldson
Samarang.....			
Soerabaya.....			
Cheribon.....			
Belawan-Deli.....			
Netherlands—			
Amsterdam.....	December 17-24	<i>Vasaholm</i>	Swedish American
Rotterdam.....	January 3-7	<i>Sparreholm</i>	Swedish American
Newfoundland—			
St. John's.....	December 11-15	<i>Blue Cloud</i>	Montreal Shipping
St. John's.....	December 13-15	<i>Island Connector</i>	Clarke Steamships
St. John's.....	December 15-17	<i>Atlantic Charter</i>	Montreal Shipping
St. John's.....	December 16-19	<i>Fort Amherst</i>	Furness Withy
St. John's.....	December 17-21	<i>Mayhaven</i>	Shaw Steamships
St. John's.....	December 22-26	<i>Island Connector</i>	Clarke Steamships
St. John's.....	December 23-26	<i>Wellington Kent</i>	Newfoundland Canada
St. John's.....	January 2-5	<i>Newfoundland (r)</i>	Furness Withy
St. John's.....	January 4-7	<i>Fort Townshend</i>	Furness Withy
St. John's.....	January 11-14	<i>Fort Amherst</i>	Furness Withy
St. John's.....	January 21-24	<i>Nova Scotia</i>	Furness Withy
Corner Brook.....	December 12-14	<i>Mary Sweeney</i>	Furness Withy
Norway—			
Oslo.....	December 17-24	<i>Vasaholm</i>	Swedish American
Kristiansand.....			
Stavanger.....			
Bergen.....	January 3-7	<i>Sparreholm</i>	Swedish American
Philippines—			
Manila.....	December 25-27	<i>Ajax</i>	Cunard Donaldson

Departures from Halifax—*Concluded*

Destination	Loading Date	Vessel	Operator or Agent
Poland— Gdynia..... Gdansk.....	December 17-24 January 3-7	<i>Vasaholm</i> <i>Sparreholm</i>	Swedish American Swedish American
St. Pierre- Miquelon	{ December 15-17 December 17-21	<i>Atlantic Charter</i> <i>Mayhaven</i>	Montreal Shipping Shaw Steamships
Singapore	December 24-29	<i>Marken</i>	Cunard Donaldson
Sweden— Gothenburg..... Malmo..... Norrkoping..... Stockholm.....	December 17-24	<i>Vasaholm</i>	Swedish American
United Kingdom— Bristol..... Swansea.....	December 16-24	<i>Gloucester City</i>	Furness Withy
Liverpool..... Liverpool..... Liverpool..... Liverpool.....	December 29-30 January 2-5 January 21-24 January 23-27	* <i>Beaverford</i> (r) <i>Newfoundland</i> (r). <i>Nova Scotia</i> (r) <i>Scythia</i> (r)	Canadian Pacific Furness Withy Furness Withy Cunard Donaldson
Leith..... Newcastle.....	Dec. 30-Jan. 4 January 12-17	<i>Cairnesk</i> <i>Cairnvalona</i>	Furness Withy Furness Withy
London.....	January 3-4	* <i>Beaverglen</i> (r)	Canadian Pacific
Manchester..... Manchester..... Manchester.....	December 21-24 December 28-31 January 4-8	<i>Manchester Trader</i> (r) <i>Manchester Port</i> (r) <i>Manchester Shipper</i> (r)	Furness Withy Furness Withy Furness Withy
Southampton..... Southampton.....	December 30 January 21	<i>Aquitania</i> <i>Aquitania</i>	Cunard Donaldson Cunard Donaldson
Uruguay— Montevideo.....	January 3-7	<i>Bowrio</i>	Cunard Donaldson
West Indies— Bermuda.....	{ December 25-28 January 13-15	<i>Fort Amherst</i> <i>Fort Townshend</i>	Furness Withy Furness Withy
Jamaica.....	{ December 18-23 December 23-26 December 27-30	<i>Tunaholm</i> <i>Fort Townshend</i> <i>Dufferin Bell</i>	Swedish American Furness Withy Pickford and Black
Jamaica..... Bahamas..... Bahamas.....	{ December 27 January 11 January 25 February 8	<i>Canadian Challenger</i> <i>Canadian Cruiser</i> <i>Canadian Challenger</i> <i>Canadian Cruiser</i>	Canadian National Canadian National Canadian National Canadian National
Antigua..... Barbados..... Bermuda..... British Guiana..... Dominica..... Grenada..... Montserrat..... St. Kitts..... St. Lucia..... St. Vincent..... Trinidad.....	Dec. 25-Jan. 3 Dec. 27-Jan. 3 January 8-17 January 9-17 Jan. 25-Feb. 2 February 8-16	<i>A Ship</i> <i>Canadian Constructor</i> (r) <i>A Ship</i> * <i>Lady Nelson</i> (r) * <i>Lady Rodney</i> (r) <i>Canadian Constructor</i> (r)	Alcoa Steamships Canadian National Alcoa Steamships Canadian National Canadian National Canadian National

New Tourist Reception Centre for Trinidad

Port of Spain, November 15, 1948.—(FTS)—Trinidad's new \$80,000 tourist reception centre will be opened shortly. Situated on the King's Wharf, the ultra-modern building will fill a long-felt want in catering to the needs of the weary traveller.

Departures from Saint John

*Sails from Halifax a few days earlier.

(r) Indicates refrigerated cargo space.

Destination	Loading Date	Vessel	Operator or Agent
Africa-East—			
Lourenço Marques...	Dec. 30-Jan. 9	<i>Cabano</i>	Elder Dempster
Lourenço Marques... Beira.....	December 13-23	<i>Fort Grouard</i>	Elder Dempster
Africa-South—			
Cape Town.....	December 13-23	<i>Fort Grouard</i>	Elder Dempster
Port Elizabeth.....	Dec. 30-Jan. 9	<i>Cabano</i>	Elder Dempster
East London.....			
Durban.....			
Australia—			
Brisbane.....	Late December	<i>Pipiriki</i>	Montreal Australia New Zealand Line
Sydney.....			
Melbourne.....			
Adelaide.....			
Belgium—			
Antwerp.....	December 20-27	<i>Mont Alta</i>	Montreal Shipping
Antwerp.....	December 21-28	<i>Westralia</i>	Montreal Shipping
Antwerp.....	December 20-30	* <i>Beckenham</i>	Cunard Donaldson
Antwerp.....	December 24	<i>Prins Alexander</i>	Shipping Limited
Antwerp.....	January 2-9	<i>Vasconia</i> (r)	Cunard Donaldson
Antwerp.....	January 10	<i>Hedel</i>	Shipping Limited
Antwerp.....	January 20-30	<i>Beaconsfield</i>	Cunard Donaldson
Ceylon—			
Colombo.....	December 20-25	<i>City of Lille</i>	McLean Kennedy
Colombo.....	December 20-30	<i>Tapti</i>	McLean Kennedy
Colombia—			
Barranquilla.....	December 20-22	* <i>Polykarp</i>	Swedish American
Barranquilla.....	January 9-10	* <i>Brush</i>	Swedish American
Barranquilla.....	January 14	<i>Sunprince</i>	Saguenay Terminals
Cuba—			
Santiago.....	December 24-26	* <i>Tunaholm</i>	Swedish American
Havana.....	January 11-13	* <i>Krageholm</i>	Swedish American
Dominican Republic—			
Ciudad Trujillo....	January 14	<i>Sunprince</i>	Saguenay Terminals
Eire—			
Dublin.....	December 21-29	<i>Ramore Head</i>	McLean Kennedy
Dublin.....	January 2-7	<i>Lord Glentoran</i>	McLean Kennedy
Germany—			
Hamburg.....	December 20-27	<i>Mont Alta</i>	Montreal Shipping
Hamburg.....	December 20-30	* <i>Beckenham</i>	Cunard Donaldson
Hamburg.....	January 20-30	<i>Beaconsfield</i>	Cunard Donaldson
Greece—			
Piraeus.....	December 15-24	<i>Anatina</i>	Montreal Shipping
Haiti—			
Port au Prince.....	January 14	<i>Sunprince</i>	Saguenay Terminals
India and Pakistan—			
Karachi.....	December 20-25	<i>City of Lille</i>	McLean Kennedy
Bombay.....			
Madras.....			
Calcutta.....			
Chittagong.....	December 20-25	<i>City of Lille</i>	McLean Kennedy
Italy—			
Genoa.....	December 15-24	<i>Anatina</i>	Montreal Shipping
Naples.....	January 15-23	<i>Italo Marsano</i>	Montreal Shipping
Mediterranean—			
Central and Western Areas....	December 15-24 January 15-23	<i>Anatina</i> <i>Italo Marsano</i>	Montreal Shipping Montreal Shipping

Departures from Saint John—*Concluded*

Destination	Loading Date	Vessel	Operator or Agent
Mexico—			
Veracruz.....	December 24-26	<i>*Tunaholm</i>	Swedish American
Veracruz.....	January 11-13	<i>*Krageholm</i>	Swedish American
Netherlands—	(December 20-30	<i>*Beckenham</i>	Cunard Donaldson
Rotterdam.....	December 24	<i>Prins Alexander</i>	Shipping Limited
Amsterdam.....	January 10	<i>Hedel</i>	Shipping Limited
	January 20-30	<i>Beaconsfield</i>	Cunard Donaldson
Rotterdam.....	December 20-27	<i>Mont Alta</i>	Montreal Shipping
Netherlands West Indies—			
Curacao.....	December 20-22	<i>*Polykarp</i>	Swedish American
Curacao.....	January 9-10	<i>*Brush (r)</i>	Saguenay Terminals
New Zealand—			
Auckland.....	Mid-January	<i>Port Quebec</i>	Montreal Australia New Zealand Line
Wellington.....			
Lyttleton.....			
Dunedin.....			
Northern Ireland—			
Belfast.....	Dec. 30-Jan. 5	<i>Fanad Head</i>	McLean Kennedy
Portugal—			
Lisbon.....	December 15-24	<i>Anatina</i>	Montreal Shipping
Puerto Rico—			
San Juan.....	December 20-22	<i>*Polykarp</i>	Swedish American
San Juan.....	January 9-10	<i>*Brush</i>	Swedish American
Syria—			
Beirut.....	December 15-24	<i>Anatina</i>	Montreal Shipping
Trieste.....	December 15-23	<i>Marchport</i>	Montreal Shipping
United Kingdom—			
Avonmouth.....	Dec. 27-Jan. 6	<i>Delilian (r)</i>	Cunard Donaldson
Newport.....			
Glasgow.....	December 20-28	<i>Lismoria (r)</i>	Cunard Donaldson
Glasgow.....	Dec. 30-Jan. 9	<i>Moveria (r)</i>	Cunard Donaldson
Glasgow.....	January 15-23	<i>Salacia (r)</i>	Cunard Donaldson
Glasgow.....	Jan. 26-Feb. 3	<i>Lismoria (r)</i>	Canard Donaldson
Hull.....	December 23-28	<i>Bassano</i>	McLean Kennedy
Liverpool.....	December 14-23	<i>Asia (r)</i>	Cunard Donaldson
Liverpool.....	December 21-29	<i>Ramore Head</i>	McLean Kennedy
Liverpool.....	Dec. 30-Jan. 5	<i>Fanad Head</i>	McLean Kennedy
Liverpool.....	January 2-7	<i>Lord Glentoran</i>	McLean Kennedy
Liverpool.....	January 3-10	<i>Sibley Park</i>	Cunard Donaldson
London.....	January 2-9	<i>Vasconia (r)</i>	Cunard Donaldson
London.....	January 19-27	<i>Arabia (r)</i>	Cunard Donaldson
Venezuela—			
La Guaira.....	January 14	<i>Sunprince</i>	Saguenay Terminals
Puerto Cabello.....			
La Guaira.....	December 20-22	<i>*Polykarp</i>	Swedish American
Puerto Cabello.....			
Maracaibo.....	January 9-10	<i>*Brush</i>	Swedish American
West Indies—			
Jamaica.....	December 24-26	<i>*Tunaholm</i>	Swedish American
Jamaica.....	January 11-13	<i>*Krageholm</i>	Swedish American

Departures from Vancouver

Ships listed under "Departure from Vancouver" may possibly be loading in addition at New Westminster. Exporters should communicate with agents in Vancouver to obtain information concerning loading dates, berths, available cargo space and rates.

Destination	Loading Date	Vessel	Operator or Agent
Africa-East—			
Lourenço Marques...	Late December	<i>Manx Navigator</i>	Dingwall Cotts
Lourenço Marques...	January 3-20	<i>Lake Shawnigan</i>	North Pacific
Africa-South—			
Walvis Bay.....	Late December January 3-20	<i>Manx Navigator</i> <i>Lake Shawnigan</i>	Dingwall Cotts North Pacific
Cape Town.....			
Port Elizabeth.....			
East London.....			
Durban.....			
Argentina—			
Buenos Aires.....	Early January	<i>Hindanger</i>	Empire Shipping
Australia—			
Sydney.....	January 14	<i>Aorangi</i>	Canadian Australasian
Melbourne.....			
Hobart.....			
Brazil—			
Rio de Janeiro.....	Early January	<i>Hindanger</i>	Empire Shipping
Santos.....			
Ceylon—			
Colombo.....	December 27	<i>Lawak</i>	Dingwall Cotts
Colombo.....	December 27	<i>Höegh Silvercloud</i>	Dingwall Cotts
Egypt—			
Alexandria.....	January 11-16	<i>Lake Minnewanka</i>	Canada Shipping
Fiji—			
Suva.....	January 14	<i>Aorangi</i>	Canadian Australasian
Hawaii—			
Honolulu.....	January 14	<i>Aorangi</i>	Canadian Australasian
India—			
Bombay.....	December 27	<i>Lawak</i>	Dingwall Cotts
Calcutta.....	December 28	<i>Höegh Silvercloud</i>	Dingwall Cotts
Madras.....	December 27	<i>Saporoeca</i>	Dingwall Cotts
Calcutta.....			
Netherlands East Indies—			
Batavia.....	December 27 December 27	<i>Saporoeca</i> <i>Lawak</i>	Dingwall Cotts Dingwall Cotts
Soerabaya.....			
Cheribon.....			
Samarang.....			
New Zealand—			
Auckland.....	January 14	<i>Aorangi</i>	Canadian Australasian
Peru—			
Callao.....	Early January	<i>Hindanger</i>	Empire Shipping
Philippines—			
Manila.....	December 27	<i>Saporoeca</i>	Dingwall Cotts
Iloilo.....	December 27	<i>Lawak</i>	Dingwall Cotts
Cebu.....	December 28	<i>Höegh Silvercloud</i>	Dingwall Cotts
United Kingdom—			
Unstated Ports.....	Dec. 15-Jan. 2 Dec. 22-Jan. 8 January 6-21 Jan. 18-Feb. 4 Jan. 26-Feb. 10	<i>Lake Cowichan</i> <i>Lake Babine</i> <i>Lake Kootenay</i> <i>Lake Kamloops</i> <i>Lake Chilliwack</i>	Empire Shipping Anglo Canadian Empire Shipping Anglo Canadian Anglo Canadian
Uruguay—			
Montevideo.....	Early January	<i>Hindanger</i>	Empire Shipping

Foreign Trade Service Abroad

Cable address:—*Canadian*, unless otherwise shown.

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

Argentina

Buenos Aires—H. L. BROWN, Commercial Secretary, Canadian Embassy, Bartolomé Mitre 478.

Territory includes Uruguay and Paraguay.

Buenos Aires—W. B. McCULLOUGH, Commercial Secretary (Agricultural Specialist), Canadian Embassy, Bartolomé Mitre, 478.

Australia

Sydney—C. M. CROFT, Commercial Counsellor for Canada, City Mutual Life Building, Hunter and Bligh Streets. Address for letters: Post Office Box 3952V.

Territory includes the Australian Capital Territory, New South Wales, Queensland, Northern Territory and Dependencies.

Melbourne—F. W. FRASER, Commercial Secretary for Canada, 83 William Street.

Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.

Belgian Congo

Leopoldville—L. H. AUSMAN, Canadian Government Trade Commissioner, Forescom Building. Address for letters: Boîte Postale 373.

Territory includes Angola and French Equatorial Africa.

Belgium

Brussels—B. A. MACDONALD, Commercial Secretary, Canadian Embassy, 46 rue Montoyer.

Brazil

Rio de Janeiro—MAURICE BÉLANGER, Commercial Secretary, Canadian Embassy, Ed. Metropole, Avenida Presidente Wilson 165. Address for letters: Caixa Postal 2164.

São Paulo—J. C. DEPOCAS, Canadian Government Trade Commissioner, Canadian Consulate, Edificio Alois, Rua 7 de Abril 252. Address for letters: Caixa Postal 6034.

Chile

Santiago—E. H. MAGUIRE, Acting Commercial Secretary, Canadian Embassy, Bank of London and South American Building. Address for letters: Casilla 771.

Territory includes Bolivia.

China

Shanghai—L. M. COSGRAVE, Commercial Counsellor for Canada, 27 The Bund. Postal District (0).

Colombia

Bogotá—H. W. RICHARDSON, Acting Canadian Government Trade Commissioner, Edificio Colombiana de Seguros. Address for letters: Apartado 1618. Address for air mail: Apartado Aereo 3562.

Territory includes Republic of Panama and the Canal Zone.

Cuba

Havana—Office of the Commercial Secretary, Canadian Legation, Avenida de las Misiones 17. Address for letters: Apartado 1945.

Territory includes Haiti, Dominican Republic and Puerto Rico.

Egypt

Cairo—J. M. BOYER, Canadian Government Trade Commissioner, 22 Sharia Kasr el Nil. Address for letters: Post Office Box 1770.

Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria and Iran.

France

Paris—J. P. MANION, Commercial Secretary, Canadian Embassy. Address for letters: 3 rue Scribe.

Territory includes Algeria, French Morocco and Tunisia.

Paris—J. H. TREMBLAY, Commercial Secretary (Agricultural Specialist), Canadian Embassy, 3 rue Scribe.

Territory includes Belgium, Denmark, France and the Netherlands.

Germany

Frankfurt—B. J. BACHAND, Canadian Economic Representative, Canadian Consulate, Economic Section, 145 Fuerstenbergerstrasse, Frankfurt am Main, A.P.O. 757, U.S. Army.

Cable address, *Canadian Frankfurt/Main*.

Greece

Athens—T. J. MONTY, Commercial Secretary, Canadian Embassy, 31 Vassilissis Sophias Avenue.

Foreign Trade Service Abroad—Continued

Guatemala

Guatemala City—C. B. BIRKETT, Canadian Government Trade Commissioner, Post Office Box 400.

Territory includes Costa Rica, El Salvador, Honduras and Nicaragua.

Hong Kong

Hong Kong—K. F. NOBLE, Canadian Government Trade Commissioner, Hong Kong Bank Building. Address for letters: Post Office Box 126.

Territory includes South China, the Philippine Islands and French Indo-China.

India

New Delhi—RICHARD GREW, Commercial Secretary, Office of the High Commissioner for Canada, Post Office Box 11.

Bombay—C. R. GALLOW, Commercial Secretary for Canada, Gresham Assurance House, Mint Road. Address for letters: Post Office Box 886.

Territory includes Burma and Ceylon.

Ireland

Dublin—H. L. E. PRIESTMAN, Commercial Secretary for Canada, 66 Upper O'Connell Street.

Belfast—H. L. E. PRIESTMAN, Canadian Government Trade Commissioner, 36 Victoria Square.

Italy

Rome—R. G. C. SMITH, Commercial Secretary, Canadian Embassy, Via Saverio Mercadante 15-17.

Territory includes Malta, Yugoslavia and Libya.

Jamaica

Kingston—R. V. N. GORDON, Acting Canadian Government Trade Commissioner, Canadian Bank of Commerce Chambers. Address for letters: Post Office Box 225.

Territory includes the Bahamas and British Honduras.

Mexico

Mexico City—D. S. COLE, Commercial Counsellor, Canadian Embassy, Edificio Internacional, Paseo de la Reforma. Address for letters: Apartado Num. 126-Bis.

Netherlands

The Hague—J. A. LANGLEY, Commercial Counsellor, Canadian Embassy, Sophialaan 1-A.

Newfoundland

St. John's—R. CAMPBELL SMITH, Commercial Secretary, Office of the High Commissioner for Canada, Circular Road.

New Zealand

Wellington—P. V. McLANE, Commercial Secretary, Office of the High Commissioner for Canada, Post Office Box 1660.

Territory includes Fiji and Western Samoa.

Wellington—Dr. W. C. HOPPER, Commercial Secretary (Agricultural Specialist), Office of the High Commissioner for Canada, Post Office Box 1660.

Norway

Oslo—S. G. MACDONALD, Commercial Secretary, Canadian Legation, Fridtjof Nansens Plass 5.

Territory includes Denmark and Greenland.

Pakistan

Karachi—R. K. THOMSON, Acting Canadian Government Trade Commissioner, The Cotton Exchange, McLeod Road. Address for letters: Post Office Box 531.

Territory includes Afghanistan.

Peru

Lima—C. J. VAN TICHEM, Commercial Secretary, Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin. Address for letters: Casilla 1212.

Territory includes Ecuador.

Portugal

Lisbon—L. S. GLASS, Canadian Government Trade Commissioner, Canadian Consulate General, Rua Rodrigo da Fonseca 103.

Territory includes the Azores and Madeira, Spain, Spanish Morocco, the Canary Islands and Gibraltar.

Singapore

Singapore—PAUL SYKES, Canadian Government Trade Commissioner, Room D-2, Union Building. Address for letters: Post Office Box 845.

Territory includes Federation of Malaya, North Borneo, Brunei, Sarawak, Siam and Netherlands East Indies.

South Africa

Johannesburg—S. V. ALLEN, Commercial Secretary for Canada, Mutual Building, Harrison Street. Address for letters: Post Office Box 715.

Territory includes Transvaal, Natal, Southern Rhodesia, Northern Rhodesia, Mozambique or Portuguese East Africa, Kenya, Nyasaland, Tanganyika and Uganda.

Cable address, *Cantracom*.

Foreign Trade Service Abroad—Concluded

Cape Town—S. G. TREGASKES, Acting Commercial Secretary for Canada, New South African Mutual Buildings, 21 Parliament Street. Address for letters: Post Office Box 683.

Territory includes Cape Province, Orange Free State, South-West Africa, Mauritius and Madagascar.

Cable address, Cantracom.

Sweden

Stockholm—F. H. PALMER, Commercial Counsellor, Canadian Legation, Strandvägen 7-C. Address for letters: Post Office Box 14042.

Territory includes Finland.

Switzerland

Berne—YVES LAMONTAGNE, Commercial Counsellor, Canadian Legation, Thunstrasse 95.

Territory includes Austria, Czechoslovakia and Hungary.

Trinidad

Port-of-Spain—A. W. EVANS, Acting Canadian Government Trade Commissioner, Colonial Life Insurance Building. Address for letters: Post Office Box 125.

Territory includes Barbados, Windward and Leeward Islands, British Guiana, Dutch Guiana, French Guiana, and the French West Indies.

Turkey

Ankara—G. F. G. HUGHES, Acting Commercial Secretary, Canadian Embassy, 211 Ayranici Baclari, Kavaklidere.

United Kingdom

London—A. E. BRYAN, Commercial Counsellor, Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.

Cable address, Sleighing, London.

London—R. P. BOWER, Commercial Secretary, Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.

Territory includes the South of England, East Anglia and British West Africa (Gold Coast, Sierra Leone and Nigeria).

Cable address, Sleighing, London.

London—W. B. GORNALL, Commercial Secretary (Agricultural Specialist), Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.

Cable address, Cantracom, London.

London—R. D. ROE, Commercial Secretary (Timber Specialist), Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.

Cable address, Timcom, London.

Liverpool—M. J. VECHSLER, Canadian Government Trade Commissioner, Martins Bank Building, Water Street.

Territory includes the Midlands, North of England and Wales.

Glasgow—J. L. MUTTER, Canadian Government Trade Commissioner, 200 St. Vincent Street.

Territory covers Scotland and Iceland.

Cable address, Cantracom.

United States

Washington—J. H. ENGLISH, Commercial Counsellor, Canadian Embassy, 1746 Massachusetts Avenue, N.W.

Washington—G. R. PATERSON, Agricultural Counsellor, Canadian Embassy, 1746 Massachusetts Avenue, N.W.

New York City—M. T. STEWART, Canadian Government Trade Commissioner, British Empire Building, Rockefeller Centre.

Territory includes Bermuda.

Cable address, Cantracom.

Detroit—J. J. HURLEY, Consul of Canada, Canadian Consulate, 1035 Penobscot Building, Detroit, 26, Michigan.

Chicago—EDMOND TURCOTTE, Consul-General of Canada, Suite 800, Chicago Daily News Building, 400 West Madison Street.

Los Angeles—V. E. DUCLOS, Canadian Government Trade Commissioner, Associated Realty Building, 510 West Sixth Street.

San Francisco—HARRY A. SCOTT, Consul-General of Canada, 3rd floor, Kohl Building, 400 Montgomery Street, San Francisco.

Venezuela

Caracas—J. A. STILES, Acting Canadian Government Trade Commissioner. Address for letters: Canadian Consulate General, 8° Piso, Edificio America, Esq. Veroes.

Territory includes Netherlands West Indies.

Foreign Exchange Quotations

The following are nominal quotations, based on rates available in London or New York and converted into Canadian terms at the mid-rate for sterling or par for United States dollars, as furnished by the Foreign Exchange Division of the Bank of Canada. These quotations may be found useful in considering statistics and prices generally, but Canadian exporters are reminded that the kinds of currency which may be accepted for exports to different countries are specifically covered by the Foreign Exchange Control Act and Regulations, and that funds may sometimes be tendered in payment for exports, which cannot, in fact, be transferred to Canada. Both importers and exporters are advised to communicate with their bankers before completing financial arrangements for the sale or purchase of commodities, to ensure that the method of payment contemplated is not only possible but that it is in accordance with the Foreign Exchange Control Act and Regulations.

Country	Monetary Unit		Nominal Quotations Nov. 29	Nominal Quotations Dec. 6
Argentina.....	Peso	Off.	.2977	.2977
		Free	.2080	.2080
Australia.....	Pound	....	3.2240	3.2240
Belgium and Belgian Congo.....	Franc	....	.0228	.0228
Bolivia.....	Boliviano	....	.0238	.0238
British West Indies (except Jamaica).....	Dollar	....	.8396	.8396
Brazil.....	Cruzerio	....	.0544	.0544
Chile.....	Peso	Off.	.0517	.0517
		Export	.0322	.0322
Colombia.....	Peso	....	.5714	.5714
Cuba.....	Peso	....	1.0000	1.0000
Czechoslovakia.....	Koruna	....	.0200	.0200
Denmark.....	Krone	....	.2083	.2083
Ecuador.....	Sucere	....	.0740	.0740
Egypt.....	Pound	....	4.1330	4.1330
Eire.....	Pound	....	4.0300	4.0300
Fiji.....	Pound	....	3.6306	3.6306
Finland.....	Markka	....	.0073	.0073
France and French North Africa.....	Franc	Off.	.0038	.0038
		Free	.0032	.0031
French Empire—African.....	Franc	....	.0076	.0076
French Pacific Possessions.....	Franc	....	.0202	.0202
Haiti.....	Gourde	....	.2000	.2000
Hong Kong.....	Dollar	....	.2518	.2518
Iceland.....	Krona	....	.1541	.1541
India.....	Rupee	....	.3022	.3022
Iraq.....	Dinar	....	4.0300	4.0300
Italy.....	Lira	....	.0017	.0017
Jamaica.....	Pound	....	4.0300	4.0300
Malaya.....	Dollar	....	.4701	.4701
Mexico.....	Peso	....	....	....
Netherlands.....	Florin	....	.3769	.3769
Netherlands East Indies.....	Florin	....	.3769	.3769
Netherlands West Indies.....	Florin	....	.5302	.5302
New Zealand.....	Pound	....	4.0300	4.0300
Norway.....	Krone	....	.2015	.2015
Pakistan.....	Rupee	....	.3022	.3022
Palestine.....	Pound	....	4.0300	4.0300
Peru.....	Sol	....	.1538	.1538
Philippines.....	Peso	....	.5000	.5000
Portugal.....	Escudo	....	.0403	.0403
Siam.....	Baht	....	.1000	.1000
Spain.....	Peseta	....	.0916	.0916
Sweden.....	Krona	....	.2783	.2783
Switzerland.....	Franc	....	.2336	.2336
Turkey.....	Lira	....	.3571	.3571
Union of South Africa.....	Pound	....	4.0300	4.0300
United Kingdom.....	Pound	....	4.0300	4.0300
United States.....	Dollar	....	1.0000	1.0000
Uruguay.....	Peso	Controlled	.6583	.6583
		Uncontrolled	.5618	.5618
Venezuela.....	Bolivar	....	.2985	.2985